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ABSTRACT

This paper presents the results of an exploratory study of the process of mobilizing and allocating resources for desegregation in large cities. Examined were the effects of budgetary constraints on school desegregation and desegregation impact on educational finance. Four urban school districts were selected for site reports. Section one of this study reviews the literature pertinent to the conceptualization of the research questions. Section two reviews and discusses methodological aspects of the study. Section three describes the findings in the school districts selected for study. A concluding section presents summary observations about relationships between budgets and desegregation. Presented in the site reports are: (1) an historical overview and assessment of current financial status; (2) issues related to school closing and facilities plans; (3) issues related to the funding of magnet schools, staff development, multicultural curricula, and other programs related to desegregation; and (4) funding needs in the areas of transportation, safety and security, and school-community relations. This paper suggests that the broader political, economic, and legal ramifications of desegregation need to be considered in finance reform and policy formation. Also emphasized is the importance of communication among school boards, State and Federal legislatures, and individual school officials in the development of financial policies related to school desegregation. (Author/MI)

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Final Report

BUDGETING FOR DESEGREGATION IN LARGE CITIES

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During the course of our investigations we prevailed upon large numbers of school officials, particularly at the upper echelons of the districts we studied. These districts are sizeable entities, operating budgets of $100-200 million per year, serving tens of thousands of children, and responsible to diverse and demanding constituencies. Small crises and large ones--many arising from circumstances far beyond the districts' control--were all too apparent. Nonetheless officials invariably were courteous, helpful, and informative. They shared their time and their observations with us. Perhaps they hoped, as we do, that the investment would have some future pay-off in terms of improved public policy and school practice. Perhaps they thought, as we do, that it is important for school officials to share their experiences, permitting others to learn vicariously from successes and failures. Whatever the motive, the school officials who contributed so much to this study are hereby thanked. Were it not for our pledge of anonymity, we would list them individually.

Many other individuals helped us: court clerks, librarians, academicians, court-appointed experts, attorneys, board members, interested citizens, leaders of community action groups. Again anonymity is required, but the appreciation is no less sincere.

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Responsibility for what follows lies with the project co-investigators: David Colton and William Berg. The former is Director of the Center for the Study of Law in Education at Washington University; the latter is a member of the Sociology Department of Washington University. Both participated (and were joined by Schesch) in data collection in all four sites. However responsibility for data analysis was divided: Colton prepared the reports on Thornton and Lakeview, while Berg prepared the reports on Willow Hills and Riverton. Other portions of this report were jointly written.

David Colton and William Berg, 1/81

BUDGETING FOR DESEGREGATION IN LARGE CITIES

Many of our nation's largest cities now are confronting the realities of court-ordered school desegregation. In some cities issues of liability and remedy still are being litigated. Other cities are in the early phases of implementation of remedial plans. A few cities have accumulated substantial experience with court-ordered desegregation.

Several research paradigms have been applied to the study of urban school desegregation. One emphasizes outcomes for children. Another uses sociological and political theories as frameworks for the examination of school-community politics and the policymaking process. Much recent research has examined relationships between desegregation and demographic trends. Each of these approaches has yielded perspectives which foster understanding and management of urban school desegregation.

Curiously, one familiar research paradigm has been widely ignored in desegregation studies. That paradigm focuses on the impacts of financial constraints and opportunities. Research on public bureaucracies repeatedly has shown that the budget process has major impacts on policymaking and policy execution. Normally, money matters. Yet desegregation research to date has paid scant attention to the financial aspects of desegregation.

This report presents the result of an exploratory study of the process of mobilizing and allocating resources for desegregation in large cities. The goals of the study were (1) to identify productive research questions and hypotheses, (2) to identify and resolve problems of data collection and analysis, and (3) to develop initial descriptions of the relationship between the budgetary process and the desegregation process. Section I below reviews literature pertinent to our initial conceptualization of the research problem. Section II reviews and discusses the methodological aspects of the study. Section III—by far the largest portion of this report—describes our findings in the four cities selected for study. A concluding section presents some summary observations about relationships between budgets and desegregation.

I. BACKGROUND: RESEARCH QUESTIONS

There are two main bodies of literature which might be expected to contain analyses of the budgetary process in urban school desegregation. The first body of literature--desegregation studies—is enormous in scope but contains little relevant work. The second body of literature--studies of urban school finance—is more restricted, but it does provide some insights into the problem we are addressing.

Below are brief analyses of the desegregation and urban school finance literature pertaining to our study. Following these analyses is a recapitulation of the research questions with which we began our investigation.

Desegregation Studies

The most recent summary and appraisal of the desegregation literature (National Institute of Education, 1976) does not consider desegregation as a budget problem. Similarly barren are the studies and summaries which concentrate on outcomes of desegregation (e.g., St. John, 1975; Weinberg, 1977). Case accounts of life in desegregated schools provide no information about the financial underpinnings of school resources, or the determinants of those resources (e.g., Cusick, 1974).

Community studies, usually conducted by political scientists and sociologists, might be expected to examine the financial dimensions of desegregation. For example, the preface to Crain's study (1968) begins with these words:

> Money talks, as the saying goes, and public money talks with the accents of the political process. Nowhere is this process seen more clearly than in conflicts arising over the policies of local boards of education....(Crain, p. v)

From such words one might anticipate that the investigators would pay special attention to problems of resource mobilization and resource allocation associated with desegregation. Alas, Crain and his colleagues are virtually silent on such matters. Instead they focus on the political aspects of desegregation policy. In explaining policy outcomes they adopt a classical reactive model: policy makers act on the basis of their own backgrounds and in response to outside pressures. Evidently the field investigators did not solicit information about the possibility that desegregation policy might be affected by financial considerations.

Kirby's more recent study (1973) displays the same tendency. Policy decisions about desegregation are traced to community pressures and interest groups, the preferences of top-level decision makers, and the rigidities of decision-making structures. Undoubtedly these factors are important. But we cannot assess their relationship to financial considerations, because the latter were not incorporated in the research design. Other studies present the same problem (Hill and Feeley, 1967; Mack, 1968; Rubin, 1972). Case reports prepared and published by the U.S. Commission on Civil Rights (1973, 1977) occasionally contain information about expenditures for desegregation, but the accompanying texts provide no information about the manner in which desegregation budgets were created nor about the relationships between the budgetary process, on the one hand, and the design and implementation of

the desegregation process on the other. Other literature on desegregation techniques (Foster, 1973) and implementation plans (Smith et al., 1973) is similarly uninformative. Foster acknowledges that cost may be a constraint, but he does not view it as a serious one.

We did find two partial exceptions to the desegregation literature's general inattention to the cost question. The first was in three studies of urban busing costs. One (Lambda, 1971) estimated the mumbers of students that would have to be transported in major cities under specified policy constraints. Unfortunately the study uses an inappropriate model. It appears to rest on the assumption that the number of students to be transported, linked with information about distance and time, provides a good indicator of cost. The assumption is proper in rural settings but not in cities. Another study examined desegregation-related changes in transportation budgets in several southern cities (NAACP, 1972). Although it is instructive in many ways, the study is dated and is limited by its orientation to southern (principally county-type) districts and by lack of attention to the processes which produced the reported cost impacts. The third and most recent study (Van Fleet, 1977) presents gross transportation figures for several cities; unfortunately there is no information about the budgetary processes associated with the figures. All three of these studies suffer from the fact that they limit themselves to a single type of desegregation cost.

A second (and similarly limited) group of studies is connected with the growing interest in magnet programs (e.g., Levine and Havighurst, 1977). The literature on magnet programs usually includes some attention to the costs of such programs and to revenue sources. Again however, the topic is not treated in terms of the underlying budget processes which may have powerful effects upon the nature and scope of the magnet programs as well as upon other aspects of the desegregation process in the affected cities. A related group of studies, concentrating on federal programs which support magnet schools, yields little information about school district revenues and expenditures (Burnes and Odden; Acland). Here too, attention to the interior budget processes of large cities is limited, and of course the focus is on a single feature of desegregation.

The desegregation literature's general inattention to financial considerations is not too surprising. Desegregation researchers have been drawn from disciplines which focus on learning, community sociology, and politics. Economists and students of public finance, as will be shown in the next section, have not entered the field. Historical factors are also important. Until the late 1960s desegregation was largely a problem of the south. Two features of southern education tended to de-emphasize questions related to finance. First, the task of dismantling dual school systems often was not costly; indeed in many cases it was less expensive to

operate unitary systems than dual systems. In addition, most southern districts are county-wide; thus desegregation-related transportation often involved little more than a realignment of an existing busing program. True, cities like Charlotte and Memphis encountered real cost problems attributable to desegregation, but these problems seem to have attracted little attention except among those most directly involved.

It is those most directly involved—the school officials who must design and/or implement desegregation plans—who are most likely to be sensitive to the financial aspects of desegregation. Yet the few extant studies of such officials (Rogers, Schrag) predate the era of large-scale court-ordered desegregation. Furthermore these studies tend to reflect the social and political views of the investigators themselves as much as the motives of those being studied.

School Finance Studies

Two groups of studies in the school finance literature initially appeared to be relevant to our inquiry. One, which we will call "theory of the firm" studies, has not dealt with desegregation per se, but provides some important conceptual tools. A second group of studies, dealing with educational equity, alerts us to some conceptual problems.

1. Theory of the Firm Studies

"Theory of the firm" studies examine resource mobilization and allocation at the district or building level. The most useful of these studies have built upon the seminal work of Wildavsky (1974), who showed how the budgetary process affects public policy formation. Wildavsky rejected classical normative approaches to the analysis of public finance. He opted for a descriptive approach. Based on his observations of the budget process in the federal government, Wildavsky developed an analytical model which emphasized the importance of the "base" (last year's expenditures), the use of "calculation aids" such as formulas, and incrementalism. He found that budgetary procedures usually block or distort external efforts to create new programs.

Crecine (1969) examined the budgetary process in large cities. Like Wildavsky, Crecine suggests that budgeting is not so much a response to external demands as it is an organizational process characterized by conflict avoidance, uncertainty avoidance, simplistic problem-solving, and learning from experience. Such procedures limit opportunities for innovations in policy or practice. Meltzner's analysis (1971) of the revenue side of municipal budgeting carried the analysis still further, illuminating the ways in which revenue possibilities (rather than policy demands) shaped innovations in organizational policy and practice.

The preceding studies did not examine schools, per se. However James (1966), proceeding along lines resembling those used by Wildavsky and later by Crecine and Meltzner, attempted to describe big city school budget processes. One of James' colleagues summarized the findings in these terms:

> The range of events that occur during the budget process in a large city school system is wide indeed. It includes all the detailed work during the early stages of budget preparation, decisions made by the superintendent of schools as he recommends a budget to the board of education, attempts by employee organizations and by community voluntary associations to influence the superintendent or the board's decisions, final budgetary decisions by the board of education, attempts to obtain state financial aid, and where appropriate, decisions by municipal officials who are empowered to review the school budget.
> ....
> The budget process in large city school districts is far more complex than has heretofore been reported in traditional school finance literature....
> The basic structure of the budget decision in big city school systems is to assume that existing programs will continue and to focus budget analysis upon proposed changes in, or additions to, the existing program.
> To simplify the decision-making required by annual budget processes, cities use formulas....
> The influence of teachers' organizations on school expenditures is increasing....
> ...There is no...channel open for formal communication during the preparation stage of most budget processes for community organizations who may wish to urge that additional educational services be provided.
> As big city school budget processes have become more complex, the ability of the school bureaucracy to exercise substantial influence over budget decisions has increased, since the school bureaucracy provides the expertise and time necessary to collect, organize, and analyze the vast amount of information needed in the preparation of a budget. (Kelly, 1967)

The dependent variable used in the James study (interdistrict variations in per pupil expenditures) is of little interest to us. However James provided a number of conceptual tools which we believe will be useful to the analysis of the budget process which accompanies big city school desegregation. For example James suggests that the budget process be viewed in three stages: (1) preparation, wherein budget requests are generated, reviewed, and assembled in an overall budget, (2) determination, wherein final decision makers such as school boards and city councils review, revise, and eventually adopt the budget, and (3) execution, whereby the plans for receiving

and expending funds are played out (or changed to meet new realities). James also suggests the importance of distinguishing between the budget document and the budget process—a distinction which lies at the heart of the study reported here. Finally, James offers an inventory and profiles of the many actors who participate in the budget process: department heads, principals, interest group spokespersons, central office personnel, board members, mayors, etc.

James' work significantly affected the design of our study. We concentrated on the budget process, as distinct from the budget document. Initially, we adopted the three-stage formulation of the budget process which James proposed. And we identified and interviewed the actors who participate in the development of desegregation budgets.

A study by Gerwin (1969) carried forward the work of the James group. However he did not have a dependent variable of the sort used by James; rather Gerwin was interested simply in characterizing the budget process in a large city. Two features of his study of the budget process in the Pittsburgh schools were particularly instructive to us. First, Gerwin noted the importance of conflict reduction as a norm in the budgeting process. Such a norm, if operative, surely would have an impact on the desegregation budgeting process, for few subjects are more obviously controversial and conflict-inducing. The management of conflict would, we thought, have consequences for the characteristics of desegregation budgets. Gerwin's study also cautioned us about problems of data acquisition. Gerwin used both informants and documents. He found that access to informants was difficult because of personnel turnover. We anticipated that the same problem would exist in the desegregation context, and it affected our initial decision to limit the chronological time-frame of our study to two years: the FY 80 budget which was being executed during the time of our study, and the FY 81 budget which was being prepared and determined during the same period. The documents used by Gerwin included departmental requests, justification letters, preliminary budgets, revisions prompted by reviews, final budgets, miscellaneous documents such as financial statements, and newspaper clippings. We attempted to use all of these, partly because each could be instructive in its own right, and partly because each could provide us with the "reality" against which to develop inquiries and assess responses in the interview phases of the study.

2. Equity Studies

One group of educational equity studies focuses on school inputs. Another focuses on outputs. Both have been linked to desegregation finance, and the linkage has spawned conceptual confusion.

Studies of inter-school input variations often play important parts in desegregation litigation. Qualitative differences in

school facilities, materials, and staffs are linked to the racial composition of schools, with the result that liability findings in a desegregation case may rest upon the twin grounds of illegal racial segregation and illegal resource inequality. Remedy plans and procedures then include some items designed to redress inequities and other items designed to foster reduction of racial isolation. Should both types of items be created as desegregation plan components?

Another type of equity study examines the outcomes of schooling. Initially prompted by the War on Poverty and Coleman's studies, the outcome studies examine differences in student achievement and consider ways of altering school inputs in order to reduce inequalities in school output. With the Supreme Court's Milliken v. Bradley II decision, this line of study suddenly became important in the area of urban school desegregation. In Milliken v. Bradley II the Court accepted the argument that expenditures for compensatory education programs were a proper part of a desegregation plan. But if a compensatory plan leaves a great many minority youngsters in racially isolated situations, is it truly a desegregation plan?

Such questions reflect some fundamental perplexities of contemporary thinking about desegregation. One conception of desegregation emphasizes the reduction of racial isolation. Another emphasizes equal treatment. A third stresses the remediation of past inequities, i.e., unequal treatment. Urban school desegregation plans may include elements of all three conceptions, or they may not. We could not resolve these conceptual problems on a priori grounds. Instead we proceeded empirically, examining the language and actions of the people involved in the design and implementation of urban school desegregation budgets. These observations, we hoped, would provide a basis for subsequent efforts to provide policy-relevant concepts which could help surmount the semantic difficulties apparent in the education equity literature.

A Pilot Study

A pilot study (Colton, 1978) supported the proposition that budgeting procedures influenced urban school desegregation policy and practice. Colton talked with school officials, attorneys, concerned citizens, and informed observers in Buffalo, Cleveland, Columbus, Dayton, and Milwaukee. Documentary materials were secured in each city. Although Colton was principally concerned with ascertaining the costs of desegregation (rather than cost determinants) his study provides a number of examples of the ways in which the budgetary process affects desegregation planning and implementation:

—The types of desegregation plans which were proposed were

affected by the availability of state and federal revenues, and the conditions attached to those revenues.

--Proposals for desegregation plans, particularly during litigation, often were advanced by individuals outside the usual budget channels, and reflected the special biases of these individuals.

--Actors within the budget process manipulated desegregation budgets in ways designed to serve purposes not directly related to desegregation.

--The need for desegregation plans triggered latent budget problems whose solution had effects upon desegregation plans and their implementation.

--Desegregation activated revenue sources (e.g., corporations) not otherwise available, and these sources affected the design and implementation of desegregation plans.

--Actors engaged in the budget process "bootlegged" desegregation funds in order to accomplish other objectives of the school system; such bootlegging affected the design and implementation of desegregation remedies.

--Mundane financial practices such as contracting and bidding had major effects upon the amounts of money available for various components of desegregation plans.

Research Questions

Initially we stated our overall thesis as follows: in large cities the budgetary process is a major determinant of the design and implementation of desegregation plans. That is, once it has been decided that desegregation will occur, the substance and implementation of the desegregation plan will be significantly influenced by the budgetary process. (Here we must reiterate our point that we were doing exploratory research, one aim of which is to refine the research questions.)

James' distinction between the budget document and the budget process is fundamental. From our review of the literature it appeared that the few studies which have focused on the financial aspects of desegregation have concentrated entirely upon the budget document, i.e., upon desegregation costs. The presumption has been that desegregation budgets are a reflection of court-imposed desegregation demands. Our position differs. We suggest that the desegregation budget reflects a budgetary process--probably akin to the process described by Wildavsky, James, et al. That is, once it has been determined that the budget document must somehow accommodate the desegregation demand, the nature of the accom-

modation is a function of budgetary considerations.

1. What are the characteristics of desegregation budgets?

Despite the fact that our principal concern was the budgetary process, we proposed to start with an analysis of budget documents. These documents would provide us with the information necessary to guide our study of the process. In a sense, the documents were construed as the dependent variables; the budget process incorporated the independent variables.

There is a large number of elements that could be incorporated in an urban school desegregation plan. Foster (1973) provided a list of possibilities:

Pairing and grouping schools
Modifying feeder patterns
Redrawing zone lines
Skip zoning
Site selection and school construction policies
Open enrollment
Majority to minority transfers
Magnet schools
Special programs
Metropolitan cooperation

Foster could have added others such as teacher training, school closings, compensatory programs, parent education, and textbook replacement. (Foster asserts that some such costs are not properly chargeable to desegregation, as they are costs of program improvements to repair "a defective machine--the dysfunctions of which have been laid bare by the desegregation process.")

An urban school desegregation plan is, at root, simply a selection, juxtaposition, and weighing of elements such as those listed above. We anticipated that the selection, juxtaposition, and weighing of elements in a particular city was influenced by the budgetary process. But before we could analyze that process, we needed to identify the components (and their costs) of a particular city's desegregation plan. Such an identification could take the following form:

Desegregation Budget

Expenditures	
Program A (e.g., transportation)	$xx
Program B (e.g., magnet schools)	$xx
Program C (e.g., staff training)	$xx
Program n ( )	$xx
Total	$xxx

Revenues	
Source M (e.g., federal grant)	$yy
Source N (e.g., state aid)	$yy
Source O (e.g., corporate)	$yy
Total	$yyy

Net Costs: Expenditures minus Revenues (+ or -)

School districts may (or may not) use such a format. We sought to examine and compare the ways in which desegregation budgets are displayed, and the reasons underlying the formats. We anticipated that differences among cities would reflect differences in budgetary processes. For example, City A might allocate a high proportion of its desegregation budget to transportation because of the easy availability of state transportation aid, whereas City B might minimize transportation because of low state transportation aid. City C might feature magnet schools because of the availability of ESAA or corporate revenues for such schools, while City D might find that access to such sources is limited and hence magnets are not practical.

We were mindful of the formidable conceptual, empirical, and political problems that would impinge on any efforts to depict "desegregation budgets." We already have taken note of the conceptual difficulties involved in distinguishing among the costs of desegregation, equity, and compensation. Another problem, which plagues most studies of categorical aid programs, is "bootlegging": funds ostensibly allocated for one purpose are used for another. Sometimes outside aid simply supplants local resources, as might be the case when ESAA funds are used to purchase texts. More often however, the problem is that goals are merged. Magnet schools, for example, may serve not merely to desegregate, but also to improve the quality of education and perhaps to stem middle class flight from the schools. We doubted that such problems could be "solved" in ways satisfactory to everyone. At the same time we anticipated that we could develop solutions that were workable in terms of both research and policymaking.

2. How does the budgetary process affect the design and implementation of desegregation plans?

This question, which was to be the main focus of the research team's activity, can usefully be divided into three subquestions. The first concerns the identity and roles of the actors who participate in the formulation of desegregation budgets. The second and third concern the processes of resource mobilization and allocation, respectively.

2.1 Who are the actors? Under ordinary circumstances the roster of actors in the budgetary process includes departmental and divisional officers, governmental liaison personnel, members of the superintendent's cabinet, the board, city officials, and occasional interest group representatives (e.g., teacher union spokespersons). Desegregation may introduce new actors such as judges, court-appointed experts, directors of externally-funded desegregation assistance programs, attorneys, and contractors. The introduction of such actors raises a number of interesting questions. How do they interact with actors already engaged in budgeting? What are their tactics? Where do conflicts arise between established and new actors? Who resolves competing claims which focus upon desegregation costs and revenues? Who develops and reviews resource mobilization strategies?

2.2 How does the resource mobilization process affect the design and implementation of desegregation plans? Desegregation may be viewed as an opportunity to secure funds not otherwise available. In St. Louis, for example, it appears that some of the school system's latent ideas for "alternative schools" were suddenly activated by the prospect of receiving ESAA funds for "magnet schools." In Boston desegregation became a vehicle for tapping sources of corporate and higher education support not previously utilized. In Wisconsin the legislature's adoption of Chapter 220—a desegregation incentive bill—had effects upon the type of plan that school districts developed and implemented. Where transportation is a factor in desegregation, the type of state reimbursement program could affect the mode and scope of the transportation systems that are built into a desegregation plan.

A second manner in which resource mobilization processes might affect desegregation would occur when expected or hoped-for funds do not materialize. Such an event presumably would require either (a) revision of the desegregation plan to accommodate the new financial reality, or (b) delay in implementation, or (c) revision of other portions of the school budget in order to provide funds needed for desegregation, or (d) some combination of these. Each option would require either a change in the plan or a change in the context in which the plan was implemented.

The search for resources to pay for desegregation may direct attention to opportunities for resource re-allocation within a school system. If these opportunities exist, their realization may feed back upon the design of the desegregation plan. For example several urban school desegregation plans have included plans for closing large numbers of schools. The number and location of the schools to be closed can have substantial effects upon the assignment of students in the system, and upon transportation costs and maintenance costs. The funds realized from school closings may (or may not) be applied to meet the costs of desegregation. The potential availability of such funds may help determine the extent to which a local district is dependent upon outside resources for

desegregation--a dependence which in turn affects the nature of the desegregation plan which is adopted and implemented.

Finally, we expected that where local school districts were dependent upon local taxpayers to foot the school bill, and where there was suspicion that local taxpayers will not support school taxes which are used for desegregation, there might be a special effort to design a desegregation plan that relies on non-local revenue sources. Were such plans different from those which are built on local tax revenues?

2.3 How does the resource allocation process affect the design and implementation of desegregation plans? We surmised that the choice of components for a city's desegregation plan would be affected by the way in which budget officers handled resource allocation problems. One of the starkest issues can be posed quite bluntly: teacher salaries v. buses. (We find it particularly interesting that teacher strikes so frequently coincide with the introduction of large-scale desegregation.) We believed that an early and fundamental resource allocation problem, then, concerned the decision about the overall portion of the school budget to be allocated to desegregation. Where the resources to be allocated would not be available in the absence of desegregation, the problem would not be acute; however where desegregation absorbed funds that could be used for other purposes, i.e., where there was a re-allocation or re-distribution question, profound and potentially divisive judgments would have to be made. Thus we would inquire about the competing claims in such circumstances, including the ways in which they were advanced and the manner of their disposition.

Other allocation problems may be less dramatic but no less significant. For example, how is it determined whether a facility will be remodeled or replaced? Do advocates within a school system argue the relative virtues of human relations training v. expansion of the teaching staff v. employment of specialists and aides?

3. How does desegregation affect the budget process?

Our prior queries were designed to explore the ways in which the budgetary process affects the design and implementation of desegregation plans. Our final research problem was of a different sort: we wished to ascertain whether--and how--desegregation affected the budgetary process. In different terms, does desegregation change the actors and the procedures engaged in budgeting? Does desegregation affect the ways in which budget categories are defined or displayed? Are the peculiar demands of desegregation budgeting accommodated within the existing budgetary process of urban school systems, or do those demands alter that process?

In addressing this question, we thought it might be useful to visualize urban school desegregation as a three-phase process. The first, which typically occurs during litigation, is the period

of "hypothetical" budgeting: parties in the proceedings (and their agents) may construct a desegregation budget to suit their adversarial postures. In Colton's pilot study (1978) this phase often was characterized by wildly inaccurate assertions about the costs of desegregation. The second, or "transitional" stage, occurs during the period in which a desegregation plan is first implemented. Often this phase occurs under close citizen or court scrutiny. A final "post-desegregation" phase occurs after the desegregation plan is institutionalized.

The budget process might differ from phase to phase. That is, in the early phase actors within the justice system (attorneys, judges, experts, witnesses) may be prominent. During the transitional phase school personnel and offices not previously engaged in budgeting might be heavily involved. For example, a desegregation office or a magnet school office may become involved. Later, as the desegregation is institutionalized, these new actors may be displaced, or they may become regular fixtures in the budget making process. For example, busing contractors may acquire a stake in desegregation, and particularly in contracted transportation. How do they protect and advance their interests? ESAA-funded magnet programs may acquire a lease on life in the first few years of desegregation and then face a cut-off of transitional federal funds. What then? What happens to budgeting for desegregation when judicial oversight is terminated? We simply did not know.

In the end, we anticipated that the budgetary process, which influences desegregation policy and practice, might itself be transformed by desegregation. In Wildavsky's terms, a "new base" is introduced, and new "aides to calculation" as well as new actors are introduced. The effects of these alterations could extend far beyond the desegregation arena. There is some evidence that sites which have undergone desegregation have experienced broad scale reforms in instruction and management. These reforms may be reflections of changes in the budgetary process, but they also may require changes in that process in order to be sustained. We intended to conclude our inquiry by considering desegregation finance in the larger context of urban school reform.

Post-Mortem

A discussion of the adequacies and inadequacies of the initial research questions appears in the concluding sections of this report. Initially however it may be useful to forewarn the reader that as our field work proceeded we found it essential to make adjustments in our initial formulations of questions. Some questions were dropped; others were kept. Many were modified. New ones were added. Such is the nature of exploratory studies. The initial questions may not yield answers at all. They may be displaced by newer and still-unanswered questions. The new questions are not

(we hope) lesser ones; they are (we believe) better ones. And the initial questions which remain unanswered were not (we like to think) stupid ones; they simply were not appropriate to the types of realities we encountered. Put differently, the theories which guided our initial formulations were not always useful to the task of making sense out of the phenomena we observed.

Here, in a nutshell, is what we found. The overall guiding hypothesis was not supported. The budgetary process is not a major determinant of the design and implementation of desegregation plans. Indeed, at least during the early stages of desegregation decisions about its nature and scope are made largely without reference to normal budgetary process, and reflect strategic orientations more closely attuned to legal, political, and pedagogical criteria than to financial criteria. Put differently, desegregation planning proceeds with scant attention to matters of affordability (revenues) or cost-effectiveness.

Desegregation budgets rarely are designed to reflect the true costs of desegregation. They are designed and used as tactical weapons aimed at affecting the thinking of judges, elected officials, officials in state and federal administrative agencies, and the public. Thus the technical difficulties of cost identification which we anticipated were not even raised. The real costs of desegregation are not computed.

As we anticipated, desegregation catapults new actors into the decision arena which affect school budgets. But typically these actors are not budgetary personnel. They do not think in budgetary terms. Frequently they view desegregation as an opportunity to alleviate financial difficulties and to mobilize new financial resources. That is, they do not exhibit the types of behavior which the Wildavsky model imputes to budgetary personnel. And, as noted previously, their actions rarely are constrained by the normal budgetary process.

Finally, the desegregation process may profoundly affect the budgetary process, as we anticipated. But the nature of those effects varies enormously from city to city and time to time.

In sum, our initial questions served nicely to take us into the arenas where issues of desegregation and finance are juxtaposed. But the process of juxtaposition was not exactly what we anticipated—nor was it uniform from site to site. The concluding section of this report will elaborate more fully on these comments.

II. METHOD

The study reported here was exploratory. Thus our selection of study sites and study methods was designed to provide an optimal mix of breadth (multiple sites), depth (immersion within sites),

chronological diversity (early stages of desegregation and later stages), viewpoint (defendants and plaintiffs, plus local and state and federal officials), and adaptability (standard inquiries across sites, plus new and site-specific questions prompted by our initial ones). We did operate within several restrictions. Very large cities (enrollments in excess of 120,000) were excluded because they were deemed to be outliers whose special features--including, in many cases, their uncertain status vis-a-vis court-ordered desegregation--rendered them of limited significance to smaller but more typical American cities. We also eliminated county-type districts, electing to concentrate on central city districts; the latter are found primarily in the northeast, midwest, west, and border states where the desegregation process currently is under way, whereas the former type is located primarily in the southeast, where desegregation is, in many cases, a fait accompli. In addition we had limited resources--enough to permit three to five visits to each of four or five cities.

Four cities were selected for study. All had enrollments in the 40,000-120,000 range. They were located in the northeast, midwest, and west. Litigation on liability had been completed in all of them, and they were at various stages of designing and/or implementing court-supervised desegregation plans. All included a genuine racial mix, i.e., at least 25% of whatever race was in the minority. We deliberately sought to include fiscally-dependent and fiscally-independent cities; as it happened we had two of each type. In addition we included sites with Hispanic minorities--a fact which turned out, upon examination, to have little discernible relationship to the financial aspects of desegregation and which therefore is not considered in this report.

Initial contacts in each city were arranged through the superintendents' offices--often with the help of intermediaries who knew us and them. No city rejected our request for access, and in each case we were given valuable assistance by top officials, albeit with attitudes ranging from genuine support to considerable skepticism. Anonymity of sites and sources was assured. Once access was secured, our principal sources of data were central office officials, e.g., assistant and associate superintendents, division heads, governmental affairs personnel, and other "downtown" types. We also talked with school board members and attorneys, court personnel (e.g., Masters), and, in some cases, representatives of plaintiff or citizen groups. Some schools were visited. Newspaper accounts, court documents, and documents prepared by school officials were obtained.

Interviews, the key source of insights and understandings, were prearranged, but were largely unstructured. Interviews were not recorded, but notes were taken and summaries were recorded immediately after each interview--a process much aided

by the fact that two interviewers were present for most interviews. The field staff included the project's co-investigators (two academicians—one in the field of educational policy and administration, and the other a sociologist) and a part-time consultant who is a school board member in a large city (not studied) currently undergoing desegregation.

In addition to our on-site sources we sought and obtained information from (a) ESAA officials in Washington, (b) two nationally-prominent experts who have designed urban school desegregation plans, (c) the chief financial officer of a school system not included in our study, and (d) a former big-city school superintendent who had weathered the desegregation process. We also were informed by data collected in an earlier pilot project (Colton, 1978).

The data collection process consumed far more of our financial resources, psychic energy, and available time than we had anticipated. Processing of data was, for the most part, delayed until after completion of the field work, with the result that data gaps were occasionally unfillable, and new questions generated by data occasionally went unanswered. In every city significant events were occurring—some related to desegregation and some not—with the result that even within the limited time-frame of our investigations, the objects of our study were being transformed. Thus in our successive visits to each city we often found it necessary to re-orient ourselves to some new development. A consequence of this was that we invested more energy than we had anticipated in reconstructing past events, for we concluded that a sense of the developmental aspects of desegregation was important within each city. (Initially we had anticipated capturing the developmental dimension by working in cities at varying stages of the desegregation process; later we concluded, at least tentatively, that the developmental process differs from city to city.) As it happened, many of our sources were veterans in the sites we were studying, and hence were able to help us extend our time-frame beyond the present and immediate past.

One further point concerning our investigative strategy is worth noting. Originally, we planned our site visits to coincide with different stages of the budgetary process. We expected to find that different phases of the budget development and implementation process affected the thinking about desegregation. After our first series of visits, we came to realize that multiple calendars were operating and that the budgetary calendar was not as significant for desegregation planning as we initially had supposed. Other funding cycles, especially with respect to federal aid, played an important role in a district's ability to plan for desegregation. Desegregation plans, especially in those districts that relied on alternative educational programs, often were contingent on federal aid rather than district budgets. The most important calendar, though, was what might be termed the desegregation calendar. Although a continuous process of desegregation planning and modifi-

cation tends to take place on a school year calendar (i.e., September to August), the timing of specific court orders is highly erratic from the perspective of the district. The desegregation calendar tends to be totally independent of the budgetary calendar. Some districts, for example, were required to implement plans for which insufficient funds were budgeted. In one case, a stay order resulted in delaying the implementation of a plan for which funds had been budgeted. Thus the regular budget cycle was not, for us, a logical or useful framework for this study.

In reporting results we have elected to concentrate on description. Systematic analyses will be reported elsewhere, although some preliminary observations are included in a final section of this report. By portraying the process in as much detail as possible, site-by-site, we hope to foster, in others as well as ourselves, the conditions which promote productive comparisons and generalizations. Readers of this report are hereby invited to enter into conversations with us, wherein we may profit from outside insights and simultaneously share ours.

III. SITE REPORTS

Riverton, Thornton, Willow Hills, and Lakeview are major American cities. They are disguised here simply to protect the anonymity which we promised.

Two sets of preconceptions are reflected in the site reports. The first set springs from the research interests discussed previously. The cities we selected, and the desegregation proceedings in those cities, serve, for us, merely as background or milieu. It has been necessary to sketch portions of that background in each city. However our principal interest, and hence the focus of our accounts, is the financial aspects of desegregation in each city. Thus readers seeking information about the dynamics of integrated classrooms, about the determinants of student achievement, about the social structure of school and community, about constitutional questions, and a host of other interesting aspects of desegregation will be disappointed here. Our focus, to repeat, is on the financial aspects of desegregation. By emphasizing that aspect, we subordinate others.

The second bias is that of our informants. Each had his or her own construction of events, reflecting not merely the situations in which the person had been involved, but also the preconceptions and attitudes brought to those events. Our own presence created still another event; many of our sources had an interest in persuading us of the logic and wisdom of their particular view. Where possible we have tried to portray competing views of reality in each site. But "balance" was not our main goal. Often it was not even possible. Many actors, we discovered, do not have <u>any</u> view of desegregation finance. They simply had not thought about it. We hope that the subsequent accounts will help correct that oversight.

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RIVERTON

I. BACKGROUND

Riverton is one of the older cities in this region. Its location on a major waterway helped it, at one time, to become both an important port city and a manufacturing center. Riverton is now an important cultural and financial center. The Riverton Public Schools are governed by a five-member school board elected at large every two years. The school board members are unpaid. Currently, they appoint the school superintendent and approve all academic and non-academic appointments. In the past, all school department management operations also reported to the board.

Historical Overview

A number of years ago, Federal District Court Judge Phillip Weinberg found that the school board and school department had intentionally maintained a segregated system and ordered them to develop and implement a desegregation plan. As an interim measure, the court required the implementation of an already existing plan to eliminate racial isolation in the Riverton Public Schools.

During the next year, a wide variety of desegregation plans and proposals were presented to the federal court by the various participants in the Riverton case. After considerable deliberations, the court approved a plan that entailed the re-drawing of school attendance area lines and feeder patterns and the inclusion of educational programs to foster desegregation. The plan necessitated the transportation of roughly 21,000 students.

Riverton has been involved in the desegregation process for over five years. During this time, the Riverton schools have experienced considerable "white flight." Early estimates of white loss are hindered by the fact that pre-desegregation enrollment data in Riverton was highly questionable. However some observers claim that in one year, five years after the initial implementation of the plan, the rate of white loss was as high as 15 percent. They point to the existence of predominantly black schools now located in the middle of all white neighborhoods. According to some measures, interracial contact is not significantly different now than it was prior to the implementation of the initial plan. Indeed, school officials complain that their attempts to secure ESAA funds are hindered by the fact that racial ratios as represented on OCR statistics are not now much better than they were in the early 70's. Riverton has seen its overall enrollment decline from roughly 74,000 in the 1970's to 66,000 in 1980.

The Riverton School System has undergone considerable change during this time as well. There have been changes in the composition of the board with respect to the desegregation question. In the early 70's the majority of the board was firmly opposed to "forced busing." The minority was only willing to "comply with the law." The school bureaucracy was largely unprepared for desegregation and the board provided little initiative or guidance in this area.

In the mid-70's a more moderate board was elected and efforts were taken to modernize the school bureaucracy. A desegregation office is now part of the system's organizational structure. Riverton currently maintains a number of desegregation programs that operate as part of the normal functioning of the school department. These include transportation, safety and security, educational programs, staff development, curriculum development, and community and human relations work. Over the years, Riverton has made a number of adjustments in student assignments to maintain racial integration. Currently, Riverton school officials are working with city and state officials to develop a long-term plan which incorporates facilities planning, racial integration, and educational quality.

The Financial and Budgetary Context

Riverton is a financially dependent school district. The school district does not raise its own taxes. Rather, its budget is part of the overall Riverton city budget. The Riverton School District, however, is guaranteed a level of funding at least the size of the previous year's allocation. The school board is responsible for the allocation of resources within the school department. However, all of the money received by the school department is channeled through the city treasury. Some Riverton school officials, as we shall see, feel this creates difficulties for the budgeting and accounting of school funds.

It has not been uncommon for the Riverton Public Schools to overrun their budgeted allocation. A number of years ago, Riverton ran a rather severe deficit, and the next year's budget appeared likely to contain a substantial increase over and above this deficit. City-wide political leaders and external monitoring groups claimed that there was a considerable waste in the allocation and management of resources in the department as a whole. Indeed, as Riverton school officials now acknowledge, there was really no budgetary system at all at this time.

In the mid-70's, the Riverton School Department underwent a two-phased process of budgetary reform. During the first phase, a new budget director appointed by the board and reporting directly to the board looked for areas of fat in the Riverton school budget. She was able to reduce the proposed budget by recalculating planned

expenditures in accordance with more realistic cost estimations. In this way, she was able to reduce proposed expenditure increases without reducing the delivery of services. The second phase of the budget reform process entailed the reorganization of the budgetary system to (1) ensure more information about expenditures through systematic accounting procedures, (2) establish greater control over expenditures by broadening the interface between the budgetary system and other parts of the school department, and (3) the creation of a cost-center budgeting approach. In summary, the system moved from an incremental budgetary approach to an approach in which each cost-center's appropriation is justified on an annual basis.

An Outline of the Budgetary Process

Currently, Riverton's budgetary system is based on a number of cost centers. These include various administrative units and individual schools. Each cost center manager is responsible for seeing to it that funds are allocated in accordance with specific formulae. There also is a detailed coding of expenditures within each center. For example, there are separate codes for the different types of teachers and for different types of non-salary expenditures.

The budgetary process reflects the hierarchical organization of the system. The school board has the role of chief policy maker. The superintendent is responsible for the implementation of those policies on a daily basis. Beneath him there are two deputy superintendents--one for management and one for academic affairs. There are specific departments beneath each of these which have their own cost center managers. These are also hierarchically organized. With respect to academics, each school constitutes a cost center and has its own manager and its own budget. Each cost center's manager is responsible for the budget for that center. However, the guidelines for resource allocation are established by the central administration. Principals function as cost center managers for their individual schools. The schools are organized in accordance with the district lines established in the desegregation plan approved by the federal district court. Each of these districts is headed by an area superintendent who is responsible for the schools in that area. The management department is organized in a similarly hierarchical manner.

The board sets an expenditure ceiling each year for the system as a whole. Cost center managers then make their requests in accordance with guidelines established by the central administration and budget office. The process begins in January. Guidelines are sent through the budget office to cost centers. Throughout the winter, central office personnel meet with area superintendents and department heads concerning projected needs. Towards the beginning of spring, individual principals submit their

proposed budgets to area superintendents. Meetings then take place between area superintendents and the budget office personnel. A preliminary budget is then presented to the superintendent, who may make certain recommendations and return them with the budget to the budget office. Area superintendents then hold public hearings on their proposed budgets. Based on the superintendent's recommendations and the area hearings, the budget office may make certain changes in the proposed budget. By early June, a budget is submitted to the board which holds more public hearings. In mid-June, the board approves a budget and sends its request to the mayor who may either increase or cut the proposed allocation. The mayor may cut the budget only to the level of the amount spent the previous year. The mayor's office then submits the budget to the common council. They may cut the supplemental request even further. If these cuts are considered too extensive, the mayor may request a greater allocation from the council. When the mayor is satisfied with the allocation, he will notify the school board and the funds will be appropriated.

The Riverton schools' operating budget reflects primarily local funds. State and federal categorical aid is budgeted separately. State reimbursements, however, first come into the city treasury and are then put directly into the city's general fund. This money does not appear as revenues in the school department's budget. A percentage of the district desegregation transportation costs is reimbursed by the state. These costs are so indicated in the budget document.

Almost 85% of the budget is determined by "fixed obligations." These include expenditures required by court orders, legislative statutes, matching state and federal grants, contractual agreements and building and plant expenses. For the 1980-81 fiscal year, projected court-ordered expenditures related to desegregation constituted a little bit more than 5% of the general fund and only about 6.5% of all the fixed obligations. However, as we shall see, the question of what constitutes a desegregation cost is a bit more complex.

Under the current budgetary system a number of mechanisms have been established to try to control spending. All fund transfers must be approved by the budget office. The personnel department has been required to restrict appointments to those provided for on an "authorized position list." More systematic enrollment monitoring has led to more modest estimates of the resources needed at individual schools.

Cost accounting is still somewhat of a problem. The school system often will not receive expenditure control reports until sometime after a purchase is made. The interface between the school and city budgeting systems also needs to be completed. Currently, Riverton school officials are looking for ways to integrate federal and state resources into the operating budget.

Current Financial Situation

Like many other urban school districts, Riverton is caught between declining enrollments and increasing expenditures. School spending is often blamed for the city's fiscal difficulties, and desegregation has been blamed for increases in school spending. However, most Riverton officials now say that desegregation has become an integral part of school department operations and is not among the most important reasons for the financial difficulties faced by the district.

Riverton proposed a budget of $195 million for the 1979-80 school year, only 4.4% above the previous year's allocation. Riverton school officials proudly compared this to higher increases in the budgets of the state government and those of other city departments.

In 1979-80, however, the school department overspent its allocation. This overrun, according to school officials, is qualitatively different than previous deficits. Where previous overruns could be eliminated by removing excess from the budget, the current overrun is due to new financial demands. Specifically, school officials cite:

(1) Inflation

(2) Increases in safety and security costs resulting from incidents during the past year

(3) The need to reduce the size of certain classes. In some instances, it was necessary to reduce the teacher-student ratios in order to comply with state and federal regulations related to bilingual and special education. In other cases, class size reductions resulted from the district's own education enrichment programs

(4) Additional material expenditures resulting from compliance with state and federal regulations regarding bilingual and special education

(5) Unanticipated personnel expenditures due to increased salaries and long-term leaves of absence

(6) Maintenance costs of school buildings used by the city of Riverton

In order to reduce this deficit, school department officials proposed the following measures:

(1) Transferring the costs of running after-school programs from the school department to the city

(2) Reduction of central office staff

(3) A freeze on the purchase of supplies and equipment

(4) A freeze on non-essential, non-instructional hiring

(5) A freeze on new consultant contracts

(6) Cancellation of non-essential evening programs

(7) A 40% reduction in the number of transitional aides (desegregation assistance personnel)

(8) Postponement of the district's plan to purchase its own school buses

(9) Teacher layoffs if an excess is indicated. (This would apply to temporary and provisional teachers.) (school department memorandum)

As the year proceeded, however, it became apparent that these measures would not suffice to eliminate the deficit. The school board opposed some of the planned reductions in administrative staff. Estimates of the deficit rose from $10 million to $15 million. When school began in September, the budgetary picture appeared even worse than expected. The Riverton School Board's request for fiscal '81 had ballooned to $236 million. They already were spending at a rate of $240 million. Meanwhile, the mayor had refused to approve any amount which exceeded the 1979-80 allocation of $195 million and the city auditor had refused to pay for roughly $7 million in vendors' fees from 1980. School officials forecast that schools would have to close in early March if their appropriation was not increased. An additional important factor in the new deficit was a recently signed collective bargaining agreement which granted teachers a two-year no layoff contract.

Riverton school officials claim that budgetarily, they are caught between "the Devil and the deep blue sea." On the one hand, they claim that state and federally mandated programs have caused a dramatic increase in costs. On the other hand, their own property tax base is shrinking and funds from federal and state sources have not significantly increased.

In the past, desegregation bore almost the total blame for the district's financial difficulties. Now, however, laws regarding special and bilingual education receive most of the blame. Some external observers claim that Riverton school officials have padded these budgets, including programs and activities that are not necessarily mandated by those laws and regulations.

We have no data on the validity of these claims with respect

to bilingual and special education. Our information strongly suggests that the observers are correct, in part, with respect to desegregation. Our data also suggests that the situation is somewhat more complex than a simple attempt to "pad" the desegregation budget. Rather, the interesting thing about desegregation planning in Riverton is that it took place outside of any budgetary context whatsoever.

II. DESEGREGATION IN RIVERTON

The Early Days

In order to understand the difficulties of early desegregation planning in Riverton, it is important to consider the political context in which the plan for the removal of the racial isolation and initial desegregation initiatives were implemented in Riverton. In the late 60's, the state established regulations which required local school districts to assure that all schools remained within specified racial guidelines. Busing and redistricting as well as location of new school construction could be used to assure this. If local school districts failed to comply, procedures existed whereby state funds could be withheld. Ultimately, if the district still failed to desegregate, the state board of education could implement a plan of its own. These regulations however, did restrict the time and distance of bus rides.

In the 60's two integration measures were implemented in Riverton. The first of these was the Open Enrollment Plan of Riverton (OEPR). This plan was to enable students to transfer on a voluntary basis to any school in order to improve the racial balance. This program, however, was carelessly implemented and in some cases OEPR transfers exacerbated racial segregation by facilitating the transfer of white students from integrated schools to predominantly white schools. One school board member publicly referred to OEPR as "the Big Out."

The other integration initiative, the Metropolitan Outreach Program (MOP), was a busing plan in which blacks could apply for seats in suburban school districts. This plan as well as OEPR was initiated by concerned black parents and community leaders. They were originally funded by black community groups. Currently MOP is funded by the state.

In the late 60's a protracted legal and political battle ensued between state officials attempting to gain compliance with the new regulations and local school officials in Riverton, who viewed these laws as an attempt by "suburban liberals" to "force" integration on Riverton while their own communities remained "lily white."

Riverton officials fought the state throughout the late 60's and early 70's in a highly publicized and politicized conflict. The state withheld funds twice during this time. The first time, however, a state court ordered that the funds be released because proper procedures had not been followed. The second fund cut off created major problems for the city, since state funds, at that time, comprised roughly 40% of the city's operating budget.

The state actions exacerbated an already tense and highly conflictual relationship between the mayor and the Riverton School Board. According to some observers, members of the Riverton School Board were more than willing to defiantly oppose state laws requiring the removal of racial isolation and refuse state funds while the city suffered from their actions. Interestingly, at this time, the mayor and other concerned groups proposed a number of plans for reorganizing the Riverton Public Schools including the removal of the at-large elected school board and the placement of the school department's budget under the mayor's control. These reforms ultimately failed the same year in which desegregation began in Riverton.

In the early 70's, state officials began to realize that their attempts to racially balance Riverton were not working and the state undertook to develop the Riverton Plan for the Removal of Racial Isolation (RPRRI). According to the state commissioner of education, this plan was developed in a 30-day period. Although he would have liked to have considered the financial ramifications of the plan, he admits that time did not allow for such considerations.

The ability to consider financial aspects was made even more difficult by the process through which the plan was developed. The Riverton School Board had refused to authorize the school department to develop a plan. As a result, state officials developed the plan themselves, with comments and criticisms from local school officials on various state proposals. Hence, the RPRRI was developed in a series of hearings where plans developed by the state officials were systematically critiqued by local officials who would present further information which the state would then attempt to include in their plan. According to one participant in this process, it seemed as though local school officials had all the necessary information with which to develop a plan, but that this was "in the heads of a few key planners." It is doubtful that state officials had a reasonably sufficient information base on which to make financial projections even if they had had the time to do so.

One further implication of the process was the use of police blocks as the basis for the student reassignments. New school boundaries and attendance areas were drawn in accordance with these blocks. This approach has been criticized in that large sections of the district without residential population were figured into

the plan. The approach also produced awkward school district boundaries. In one instance, a school boundary was drawn right through the middle of a newly constructed school, making it unclear as to which attendance area was to apply. Although not entirely satisfied with the approach, the state commissioner of education defends the use of police blocks on the grounds that they were the "only reasonably reliable sources of data that included racial demographics."

The state commissioner of education regrets one other aspect of RPRRI and, more particularly, the regulations under which it was developed. These regulations placed a limit on the distance a child could be bused. This resulted in the development of a plan which would be less extensive than the system-wide plans currently being ordered in some cities under Keyes v. Denver. Because the RPRRI was only a limited plan it was necessary for Riverton to undergo a two-staged desegregation process; the limited plan one year, a system-wide plan the next. This created additional disruptions in the continuity of students' educational programming and required additional administrative efforts.

After a long legal battle, the state supreme court upheld the constitutionality of the RPRRI and ordered the implementation of that plan the following fall. At the same time, though, moves were underfoot in the state legislature to repeal or somehow modify the regulations on racial isolation. That spring, shortly before the federal court's liability finding, the governor indicated that he would approve a modified law, containing financial incentives for districts that voluntarily desegregated. Riverton officials expected that this would mean that they would not have to implement the RPRRI and in part, for this reason, did not make major implementation plans during that spring. Later that spring, Judge Weinberg found for the plaintiffs and ordered the implementation of the RPRRI as a temporary remedy.

That summer, just two weeks after Federal District Court Judge Phillip Weinberg found that the Riverton School District had intentionally created and maintained a segregated school system, the state regulations were substantially modified. The state's power to require the elimination of racial isolation was curtailed. The state board of education, however, was granted the power to use state funds to reward districts that took "volumtary" desegregation initiatives. In a sense, the stick was taken away and replaced by a carrot. With respect to Riverton, however, the modification of the state laws was rendered moot by the federal court's order which required the implementation of the RPRRI as a temporary remedy. The judge later admitted that he had not read that plan prior to issuing the order (newspaper report).

After the Federal District Court's finding, the Riverton School Board asked the judge to allow it to develop an alternative desegregation plan that would satisfy the more extensive federal

guidelines requiring system-wide desegregation. The judge, however, no doubt aware of the Riverton School Board's record and wary of the hazards of a delay in implementation planning, was reluctant to grant the board's request. He stated

> Now I am not going to give people a basis for holding everything off for another three weeks. I think every day is of the essence here, not just every week. And when I see on television police officials and community leaders talking about things that are being done now toward preparing for September, it makes me a little bit doubtful about the wisdom of telling them: Well, take three weeks off and we will see what we can tell you... (court transcript)

However, the board's motion was supported by the plaintiffs who believed that a local plan could be more effectively implemented and the judge granted this request. In the end, the board refused to approve such a plan. According to some observers, this resulted in a further telescoping of the planning process into a shorter period of time.

During this period, it was not clear who was going to run the Riverton school desegregation plan. The school board denied any connection with the provisional plan to remove racial isolation. For a time, it appeared that the city and school department were moving in different directions with respect to the safety and security aspects of the plan. The mayor criticized the Riverton school superintendent for not playing an active enough role in preparing for the busing of "20,000 children."

In mid-summer, the problem of "split authority for desegregation" was reported in one of the local newspapers. One Riverton School Board member read this article aloud at the next school board meeting. At that meeting, a decision was reached to put the school superintendent in charge of desegregation. This move was criticized in the local press. According to the Riverton Daily News:

> It was a charade that no one involved--certainly not the Superintendent and not even the Mayor himself--believed for a second. The Mayor had used the occasion of the call for a designated leader to put a little political distance between himself and the issue he knew had the potential of wrecking his political career.

The superintendent's role and the lack of a coordinating mechanism was criticized by a federal monitoring group. According to them:

> Although the Superintendent was the official implementation coordinator, he established no mechanism

which would ensure that all actors in the school desegregation process were kept regularly and completely informed of all activities going on in Riverton.

The lack of such a coordinating mechanism caused continuing problems. Without a central source for the exchange of information, neither those directly involved in the desegregation process nor the citizens of Riverton could be sure whether they had accurate and complete information. Formulating plans and programs was made more difficult because one could not discover what planning and programming had been or was being done.

An example of such confusion and possible duplication of effort was the experience of many community residents who were interested in either designing or participating in school department training programs. No one appeared to know what kinds of training were available, what kinds of program funds had been applied for and might be obtained, or what sources had been applied to for training assistance.

There was considerable confusion as to how the provisional plan was to be funded. The school board had approved an expenditure of funds for the plan. However, when the board's budget went to the common council in July, certain council members refused to approve the budget because the school board had promised to produce an alternative to the provisional plan. One council member asserted that he did not want to be in the position of having to appropriate money for "an indefinite busing plan." Later, the council removed monies from the school board's supplemental appropriation. Although the council is prohibited from cutting specific programs, the amount removed was equal to the estimated costs of busing. When school officials complained to the court that they feared a deficit because of the council's action, the court told them to allocate the necessary funds, and worry about the deficit later on (court transcript). The council's action was primarily symbolic in that the busing funds had already been appropriated by the Riverton School Board.

Meetings took place between city and school officials throughout the latter part of the summer. Attempts were made to coordinate safety and security efforts undertaken primarily by the city with the transportation plan being developed by school officials. An information center was established in the basement of City Hall. However, top city and school officials remained aloof from these activities. According to one board member,

Police and school officials and some city officials met regularly to plan transportation and security.

The school board requested a meeting with Mayor Burns, the only formal meeting it had with the mayor during the crisis.

In September the RPRRI was implemented. It was accompanied by considerable protest activities by white parents, violence, and disruptions in many of the schools. During the first few days there was some confusion in the implementation of the transportation plan. Some students were left stranded at bus stops. However, the major problems were occurring in the schools. According to one Riverton School Board member:

> I decided to visit the schools with groups of parents. We were shocked by the scheduling mess, discipline problems, the books and some of the facilities themselves. We visited almost every high school and middle school in the city and 56 elementary schools.

The difficulties of implementing the RPRRI have been the subject of considerable recriminations. Pro-integration advocates blame the board. Some board members have criticized the RPRRI claiming that it was poorly drawn. The plan was specifically criticized for pairing Oak Park, a relatively poor, predominantly white area which was mobilized against "forced busing" with Berkley Heights, a predominantly black section of the city. According to some Riverton officials, this pairing in particular reflected the state's insensitivity to the fears and concerns of Rivertonians.

In the fall, Judge Weinberg initiated the planning process for a system-wide remedy. He established the following guidelines for the development of the remedy plan. According to the court:

> The defendant may utilize as necessary any known desegregation techniques, including, but not limited to, changes in existing attendance areas, feeder patterns, grade structures and building use; pairing, clustering and grouping of schools; increasing school capacity; voluntary majority to minority transfers; double sessions; non-contiguous attendance areas; transportation of students; magnet schools; undistricted schools; and special interest or special program schools (order).

As a starting point though, each grade would have to reflect the city-wide proportion of blacks to whites in that grade level. The plan was to be system-wide.

Judge Weinberg ordered the Riverton School Board to provide a detailed timetable, including schedules and dates for notifying staff and pupils of assignments, dates for awarding necessary transportation and other contracts, and procedures for hiring and

training transitional aides, bus monitors and other desegregation-related personnel. The Judge ordered that any school closings, building renovation, or new school construction was to facilitate desegregation and would have to be approved by the court. The board was to prepare plans for desegregating vocational and college preparatory schools as well as faculty and staff. He ordered the police and public facilities departments to work with the school department in these planning efforts. School department data was to be made available to these other agencies. The court ordered the board to submit progress reports throughout the fall and slated mid-December as the date on which the final plan was to be submitted. Parties would have until the end of January to propose alternatives to the plan. No criticisms of the plan, however, were to be offered without alternative suggestions.

That fall, the Riverton School Department developed a student reassignment plan in accordance with the court-ordered schedule. The board, however, refused to approve the submission of that plan. After the board's refusal, Judge Weinberg appointed two experts to assist in the development of a system-wide remedy. On the advice of the chief expert, the Judge empowered a panel of Masters to review the submissions of various parties to the case.

A number of plans were submitted to the court. The first plan (Plan A) was developed by the Riverton School Department. This plan divided the city into six zones. It continued some of the pairings contained in the RPRRI and brought into the plan sections of the city that were unaffected by the provisional plan. Plan A provided that students would be allowed to attend schools of their choice within the new zones, as long as those schools were racially balanced. If not, students would be assigned to other schools within the zone. Planners estimated that over 31,000 students would have to be bused.

Although Plan A was developed by the Riverton School Department it was not the official submission of the Riverton School Board. In fact, the majority of the board had refused to approve the plan for submission and after it was surreptitiously submitted by their attorneys (who shortly after resigned), the board moved to have the plan stricken from the record. Plan A was not acceptable to the board majority because it contained too much "forced busing" which, in their view, would lead to too much "violence and racial hatred."

The board submitted Plan B, a voluntary open enrollment plan containing a variety of educational programs. According to the board, the "voluntary plan" would upgrade education city-wide by providing "learning options." Parents were free to choose where their children would go to school and could thus maintain the "control" that was lost in Plan A. Facilities would be equalized across the city. Plan B contained provisions for the desegregation of Riverton's college preparatory magnet schools which had been

found segregated in the liability finding. The plan also contained a provision for students to attend an integrated educational setting for a half-day once a week. Plan B proposed some 55 new magnet schools and a program through which suburban communities could be involved in Riverton's desegregation. Costs were not included in the submission.

Plan C was developed by the Riverton PTA. This plan desegregated only those schools specifically mentioned in the liability finding. The expressed goal of this plan was "to limit forced busing as much as was legally possible." Plan C also contained provisions for "voluntary" desegregation.

Plan D was developed by the NAACP with the assistance of an outside consultant. This plan divided the city somewhat differently than Plan A, achieving more student desegregation. Beyond this, Plan D was to have more equitably distributed the burden of busing between black and white students. Plan D also projected somewhat less student transportation than Plan A.

Less detailed plans were submitted by other parties as well. The most important of these was a proposal submitted by the mayor to involve the suburbs in Riverton's desegregation plan. The mayor also proposed that certain vacant buildings in downtown Riverton be used to house some high school programs.

During the hearings, these plans were criticized on a variety of grounds. Finance, however, was not an important concern. Plan A was criticized by the plaintiffs because it failed to achieve a sufficient amount of desegregation and because it placed the burden of school transportation on black students. The plaintiffs also criticized Plan A because the assignment process was unclear.

Ironically, one of the chief critics of Plan A was its creator, school department planner Michael Dobler, who also devised Plan B. Dobler defended Plan B claiming that "I object to a desegregation plan for the sake of a desegregation plan." Dobler asserted that, "It was better to implement Plan B, with its voluntary aspects, than to embark on another simplistic conventional district plan only concerned with desegregation by numbers." Such a plan, according to Dobler, would result in the city being "torn apart in September."

Dobler did not convince the Masters or the plaintiffs' attorneys. One Master took Dobler to task for his prediction of future violence. "Those sort of statements," according to Master David Morrisson, "do not serve this panel or these hearings. Our job is to devise a plan that will meet constitutional requirements and follow orders that have been set down by federal judges in other desegregation cases." The plaintiffs, in this regard, cited the failure of voluntary remedies in other districts as well as their dismal record in Riverton. Another Master questioned the component

for half-day integrated experiences. "An integrated experience," he claimed, "is no substitute for an integrated education."

During the course of this testimony, the question of financing Plan B was brought up by the plaintiffs' attorneys who implied that Plan B would be considerably more expensive than Plan A, Plan D, or some other simple student reassignment plan. Dobler took exception to this line of reasoning. Although Dobler admitted that Plan B might be more costly than a simple student reassignment plan, he asserted that implementing Plan B would surely reduce safety and security costs, making Plan B less expensive in the end. Details about costs were not under consideration and, as Dobler himself recalls, the debates about cost were "emotional and rhetorical arguments" raised by persons with no "real budgetary experience."

According to John Praeger, the court's chief expert, the Masters then went ahead to fashion a plan that would go beyond the limitations of the various submissions. Praeger claims that planning activities consisted of two stages. The first stage entailed a review of the various submissions and an attempt to salvage helpful ideas from those plans. The second stage involved moving beyond those proposals to develop a plan that was both educationally sound and system-wide. During this time, the experts acted as "gumshoes" for the Masters, seeking information about the schools. According to one of the experts, this required long hours in the field, studying facilities and making detailed reports on their condition.

The Masters concluded that Plans B and C were simply not constitutional. Plan B was secretly characterized as the "look Ma, no hands plan" since from the point of view of the experts, Masters and other pro-integrationists in Riverton, it promised to desegregate without any student reassignment at all. Plans A and D were simply strict reassignment plans. Something more than this was viewed as necessary.

After considerable deliberation the Masters presented their "Compromise Plan." This plan contained the following proposals:

(1) The Masters increased the number of zones proposed by the school department and changed some of the attendance area lines. They also proposed that students' individual addresses, rather than police-blocks, be used as the basis for the assignment system.

(2) They proposed the creation of a magnet school district that would draw students from across the city on a voluntary basis.

(3) They proposed the development of institutional linkages between specific schools and different educational and

cultural institutions in the community. This was termed the Institutional Linkage Program (ILP).

(4) They proposed a plan for the development of community councils to deal with desegregation problems and a city-wide monitoring commission.

(5) They suggested that relevant labor unions be involved in desegregation planning efforts.

The first four of the Masters' proposals were ultimately included in a court-approved desegregation plan.

Details were provided for all of these proposals. For example, maps were presented indicating the new districts, the location of schools within districts and the relevant assignment areas. The report also contained the projected enrollment by race for each school. Significantly, Oak Park and Berkeley Heights were not paired in the Compromise Plan. The plan also contained detailed suggestions for the ILP.

In their report, the Masters attempted to distinguish between voluntary and involuntary student transportation. They noted that prior to the implementation of the RPRRI, large numbers of students were either bused or used mass transit to get to school. They cited school department statistics showing that 17,000 students were mandatorily bused under the RPRRI (although they could not ascertain whether or not this figure included some 6,500 students bused to school prior to implementation of RPRRI). According to their Compromise Plan a maximum of 15,000 students would have to be bused, resulting in a savings of transportation costs. The Masters also suggested that further savings could be realized through more prudent bus contracts. They contrasted Riverton's busing cost of $100 per pupil with costs of $45 and $50 in other cities of comparable size that also had undergone desegregation.

The Compromise Plan did not contain a budget, although it did state that savings were possible in transportation and other areas. First, they predicted that the reduction in mandatory student transportation and better bus contracts could save $2-$3 million. Secondly, the plan called for a halt on any new school construction. Given the declining enrollment this was to result in further savings to the district. Thirdly, 25 facilities were to be closed saving roughly $1 million. The Masters noted that this would lead to increased efficiency in the use of space.

The Masters also contended that their plan could help the district realize new sources of revenue. They suggested that the various institutions, through the ILP could "serve as fiscal agents for research, teacher training, curriculum, and program development grants and contracts." Beyond this, the redistribution of special needs of students as provided for by the plan, would make the

district eligible for federal and state aid that otherwise might be unavailable. Finally, the Masters concluded:

> When this plan is implemented, the Riverton public schools will come rapidly into a condition of being constitutionally adequate and educationally effective enough to attract funding from all public sources and from increased numbers of private sources. This will include the resources generated through cooperation with suburban school systems and with non-public schools in the metropolitan area.

The "Compromise Plan," which was designed to satisfy everyone ultimately satisfied no one. The plaintiffs claimed that the plan failed to desegregate enough of the district. According to them, one of the proposed sub-districts would be almost all black while others remained predominantly white. The school board complained that this plan still had too much "forced busing." The Riverton Daily News and other "moderate" leaders in the community urged the court to give serious consideration to the Masters' plan as a workable compromise.

At about this time, a very interesting confusion occurred. Newspaper reports began suggesting that the court-appointed experts were about to make wholesale modifications in the Compromise Plan. Small bits of information such as a boundary change or a decision to close a particular school surfaced in the press. Anti-busing supporters on the board charged that the experts were "shafting" the Masters' compromise; that there would be even more forced busing in the fall.

The experts had a completely different view. From their perspective, they were strengthening the Masters' proposal. According to them, the Constitution required more desegregation than provided in the Compromise Plan. Beyond that, the experts feared that without the mandatory component, the magnet concept would be threatened. Because many white students would be able to attend predominantly white schools near their own neighborhoods, reasoned the experts, there was little incentive for them to apply to the magnet schools. As a result, the magnet schools would be both underenrolled and segregated. Significantly, where the experts saw their modifications as enhancing the dual goals of the Compromise Plan, desegregation and quality integrated education, others in the community charged that the experts were abandoning the Compromise Plan and developing a "plan of their own." Anti-busers were in the ironic position of criticizing the experts for "trashing" a plan they had criticized previously themselves, while the experts maintained that they were not "trashing" anything at all.

Finally, in May, the court approved a system-wide desegregation plan for implementation the following September. This plan

contained many of the ideas proposed by the Masters including the magnet school district and the ILP. Attendance zones were re-drawn so that the predominantly black district was eliminated. One district, because of transportation logistics, remained predominantly white, although some magnet programs were scheduled for schools in that section. This plan projected that 21,000 students would have to be involuntarily bused.

Although the final plan did not contain a budget per se, it did include a section entitled "Cost Considerations." Transportation was estimated to cost $7.6 million per year. This was based on a need to lease 420 buses at a rate of $100 per day. The plan suggested that better routing and scheduling could reduce this cost by $1 million. It was noted that the district was eligible for 100% state reimbursement of these transportation costs. The plan also called for the closing of 15 schools. No specific figures were presented for savings that could result from school closings. The plan also predicted that the inclusion of voluntary and educational components would reduce safety and security costs. New expenditures would be required in the areas of community and human relations and staff development. These costs were not specified in any detail.

Although the Masters, experts, and other planners endeavored to produce a fiscally responsible plan, finance was never a critical component of these deliberations. There was simply too much concern with the question of how much busing to worry about the question of how much money. John Praeger reports that efforts were taken to minimize the time and distance of bus rides and that this may have resulted in some savings, but the primary reason for this was the unpopularity of busing, not its cost.

The Masters were concerned primarily with developing a constitutional and educationally sound plan. According to one Master, Professor Manuel Fuentes:

> The main matter before the panel of masters was to evaluate plans submitted and eventually to develop a plan that would meet the constitutional requirement for a unitary public school system and, at the same time, enhance the quality of education in the Riverton public schools. The masters kept this two-fold goal in focus.

The cost of the plan was of secondary importance.

Apart from this, there are a variety of other reasons for the lack of concern with financial matters. First, there was a lack of budgetary sophistication among school department personnel and other planners. According to Michael Dobler, he and many of his colleagues had wanted to develop a more sophisticated financial approach, but lacked the necessary background. Dobler frankly

admits that sometimes he has difficulty "balancing my own checkbook." The court's chief expert also admits that he is not a "budget person" and did not consider budgetary matters to be a primary concern. None of the Masters had any budgetary experience.

Secondly, there was the position of the court with respect to desegregation costs. According to Judge Weinberg, in comparison to the importance of vindicating plaintiffs' constitutional rights, financial concerns were of secondary importance. His early guidelines for the development of a system-wide plan did not in any way limit techniques the defendants could use for desegregation and his authorization of any "reasonable" expenditures helped to provide a context for planning what easily could turn out to be an expensive program.

Thirdly, the Riverton School Board did nothing to counter this attitude; in fact, they encouraged it. Riverton School Board Chairman Kevin Smith believed that the excessive costs of busing could ultimately lead to the end of the busing program. As he stated at the time, "In order to change this busing law we have to bring economic and political pressure. We have to bankrupt the city" (meeting transcript). The Riverton School District did not have, at that time, a budgetary and accounting system that would have enabled the control costs in any case.

Fourthly, there is no evidence that the plan was in any significant way affected by the perception of new revenue sources. The revised state statutes contained provisions for funding educational programs. However, the planners did not take this into consideration in developing their plan. The chief expert reports that he was not even aware that state funds were available. The state commissioner of education reports that he proposed state funds for the ILP <u>after</u> that plan had been devised by the experts and Masters. Community institutions were concerned about their role and how it would be financed. The commitment of state resources, in his view, helped alleviate many of these concerns.

The establishment of a magnet school district was to be accomplished at no extra cost. John Praeger points out that Riverton already was operating successfully a number of city-wide high schools. District schools were to be equal in quality to the city-wide magnets. Five years down the road though, Praeger frankly admits that this is not the case.

The Costs of the RPRRI and the System-Wide Remedy

During this time, considerable confusion surrounded estimates of the costs of both RPRRI and the system-wide remedy. Estimates of the system-wide plan's cost went as high as $22 million and some predicted that the cost would be as high as $30 million. The situation was complicated by the fact that the school board and

teachers union were engaged in binding arbitration and a possible strike appeared on the horizon.

At this point, Mayor Burns asked the court to require the board to provide a clarification on desegregation costs. Earlier that spring, the board had proposed a total operating budget of $158.9 million for the next fiscal year, $32.1 million more than the previous year's operating budget allocation. This budget, which was developed prior to the federal court's approval of the system-wide plan, did not include the costs of that plan, although it did contain an allocation of roughly $9 million which was the estimated cost of the RPRRI. Later that spring the board claimed that the implementation of the system-wide plan would cause "budgetary difficulties of immense magnitude" and requested an additional $9 million for general school purposes and another $3.2 million for alterations and repairs. Mayor Burns was concerned about the board's request and was upfront about his reservations concerning the board's motivation:

> The Defendant School Board is using the desegregation process, despite its own status as the primary defendant, to its own advantage by planning imprudent spending and claiming a relationship to desegregation activity. To use the Court as the vehicle for imprudent spending is an abuse of the Court and the statutes which provide for appropriations (court submission).

In response, the board submitted the following list of additional desegregation costs expected for the next year:

Transportation (Buses)	$4,200,000
Transitional Aides	2,600,000
Summer Staffing in Schools	1,478,000
Alteration and Repairs	3,200,000
Physical Education (Programs)	178,000
City-Wide and Neighborhood Councils	250,000
Audio Visual	7,360
Bilingual	18,890
Curriculum	4,210
Fine Arts	4,600
Home Economics	4,820

Music	$ 26,740
Physical Education (Personnel)	13,750
Science	5,190
Staff Development	34,430
Vocational Education	11,330
Flexible Campus	42,200
Additional Assistant Superintendents and Staff	33,170
Additional Staff--Present Assistant Superintendents	8,000
Kindergartens	10,580
Reading	46,650
Staff New Superintendent	14,470

The mayor, however, was still unconvinced of the validity of these costs and threatened to reduce the board's supplementary allocation request by some $30 million. He claimed that the board had overestimated the additional costs of desegregation as well as other programs.

In response, the board asked the mayor to specify exactly where he thought the budget cuts should be made. The city proposed that $9 million in operating costs and $3.2 million in alterations and repairs could be saved in the following categories:

Transportation:

During the previous year, the School Department used 278 buses to service...18,995 students. The system-wide plan is estimated to require transportation for 21,000 (students). By using buses for 3 round trips per day, the number of buses needed should be 216, well within the School Board's own appropriation of $4.7 million. Therefore, the additional request of $4,200,000 for pupil transportation was not approved.

Transitional Aides:

The School Board requested an additional $2.6 million for transitional aides. The amount was reduced by $2,005,424. This provided $470,717 from the School Board's original appropriation request and $594,576 from the $8,992,390

desegregation request. Added to the School Board's own appropriation of $1,797,283, this provided $4,862,576, enough for 600 transitional aides. The School Board's request was based on a total of 1,090 transitional aides to provide staffing for anticipated pupil enrollment at ratios of 1 aide to 44 students in the high schools, 1 aide to 63 students in the middle schools, and 1 aide to 150 students in the elementary schools. The City's recommendation was based on the conclusions that the number of aides should be determined on the basis of need and attendance, not enrollment; that transitional aides should not be viewed as permanent employees and should be terminated as soon as tension is relieved; and that some schools which passed through the transition period in the past year should not require transitional aides for the upcoming school year.

Summer Staffing:

The School Board's request included $1,478,000 for summer staffing of schools. The recommended additional appropriation provided $700,000 for summer staffing of schools. The School Department's request was based on anticipated enrollment of 85,000 pupils with a ratio of 1 staff person per 100 students. The recommended appropriation was based on a ratio of 1 staff person per 200 students, which was based on a thorough review of the list of suggested duties for summer work.

Desegregation Purposes:

This additional request of $431,220 for "desegregation purposes" was rejected because adequate detail was not provided, the amount requested provided additional "overtime" compensation for administrators, and the need for tasks was not adequately documented.

Alterations and Repairs:

No additional appropriation was recommended for Alterations and Repairs. If any additional amount is needed, it can be considered at a later date. The current $4.9 million appropriation is adequate, in the opinion of City officials.

The mayor proposed other cuts as well, including a reduction in temporary teachers. These events and the wording of the city's memorandum are interesting in light of the fact that the mayor has control only over the total allocation over the previous year's level of funding and cannot veto any line item in the budget.

After a series of hearings, Judge Weinberg approved the following cuts:

(1) The elimination of 6 facilitators for...the...magnet programs...on condition that the School Board...insure that the functions of these people will still be carried out;

(2) The elimination of a position not presently filled;

(3) The elimination of a position in the School Department Information Center;

(4) The elimination of a position in the Assignment Unit;

(5) The elimination of 5 staff development assistant directors;

(6) The elimination of two positions in the Educational Planning Center;

(7) The elimination of three positions in the Transportation Department;

(8) The elimination of three assistant director positions and one director position;

(9) The layoff of an assistant coordinator in the Transitional Aide office and of an acting assistant technician in the Audiovisual Department;

(10) The layoff of one temporary clerk, five temporary typists, and three administrative assistants.*

There was, however, considerable controversy concerning the city's proposal to cut 220 temporary teachers. In the late spring a series of hearings were held on the proposed cutbacks. Black and Hispanic plaintiffs argued against the cuts. The black plaintiffs charged that most of the cuts were scheduled for schools with a higher minority percentage, while the Hispanic plaintiffs claimed that many of the proposed cuts would disrupt bilingual programs and violate state statutes. The plaintiffs also charged that the layoffs would disproportionately harm black teachers, recently hired in compliance with another of Judge Weinberg's orders. More importantly, however, they argued that the effect of the cuts on programs throughout the city had not been determined and that they could very likely undermine the implementation of the plan. The Riverton Teachers Union also opposed the cuts, claiming that they would disrupt the successful implementation

*(1) through (7) were reassigned to other school duties.

of the system-wide plan.

The city argued for the cuts, claiming they were necessitated by financial realities and justified by the general enrollment decline. The city acknowledged that the Riverton School Board had not provided good information on the effect of the cuts on the system and hence their implications for the implementation of the plan, but claimed that the court and the board should have initiated these considerations earlier in the planning process. The school board maintained that they, and not the court, should determine staff levels. In the end, Judge Weinberg refused to approve the teacher cutbacks claiming they would interfere with implementation of the desegregation plan.

Later that spring Judge Weinberg established a timetable for the implementation of the system-wide remedy. Specific dates were slated for the completion of application booklets, data processing, teacher and student assignments, and the development of a safety and security plan.

Planning did not take place without additional confusion. Mailing of the assignment booklets was delayed and considerable confusion surrounded the assignment process. Some parents did not understand the booklets. For example, some parents believed that their children were guaranteed a seat at their selected school and were surprised when they were assigned to another school for the purpose of desegregation. Others failed to fill out the booklet assuming that their children would be reassigned automatically to the school they had attended the previous year. This was a problem for many children who had attended Riverton's highly touted academic high schools. In the past, children accepted to Academic High would be reassigned automatically. Now, Academic High was one of a number of schools included in the magnet district. Although students in residence were guaranteed a seat at the school, they were required to request the school on their application forms.

Others failed to take advantage of various options provided by the plan. For example, the plan contained a grandfather clause through which seniors could be assigned to their current school. Some seniors, however, failed to specify this option and therefore were assigned to other schools. The plan also provided for siblings to be assigned to the same school. However, some parents failed to take advantage of this option.

The school department also made some errors in processing the applications. As a result of this confusion an "appeals process" was established through which parents could rectify school department errors of their own "legitimate" mistakes.

Confusion characterized other aspects of implementation planning as well. During the summer the school board claimed that it would be unable to complete the renovations necessary for the

magnet schools and asked for a one-year delay on implementing the plan. This ultimately was denied by the court. However city officials complained that the renovations turned out to be more expensive because the school board had avoided open bidding procedures in order to have the schools ready on time. Many of the programs were not completed when school started that fall.

Certain board actions also adversely affected the implementation of the plan. Their failure, for example, to approve a head of the assignment unit resulted in a delay in the completion of student assignments. This, in turn, affected other planning activities including the development of bus routes and safety and security provisions. Because of a lack of "affirmative action" by the board, the court came to take a more active role in the planning and implementation process. Indeed, Judge Weinberg retained oversight of matters such as safety and security preparations, curriculum development, human and community relations as well as student assignments and transportation.

Confusion continued to haunt the funding of the system-wide plan as well. Later that summer, Mayor Burns recommended that the common council approve a school department operating budget appropriation of $142.3 million, $25.6 million less than the board's final request. What next ensued might best be described as "budgetary hot potato." At their meeting the following week, the school board ordered a halt in all desegregation-related spending which exceeded the mayor's budget cuts. This was to take effect unless Judge Weinberg issued a specific order for each expenditure. At a subsequent court hearing an associate superintendent claimed that the school board's order would stop expenditures needed for institutional linkages, the assignment and transportation units, data processing, and the training of support personnel, such as bus monitors and transitional aides and Judge Weinberg said he would issue any orders necessary to implement the plan, and authorized the school department to make any "reasonable" expenditures in these areas.

The debate, however, continued. Later that summer, after the school board refused to approve funds to pay for summer planning, certain high school principals told the court that they were unsure if programs at their schools could be completed on time. According to one principal, his staff would be asked to work on an "I hope you'll be paid basis." Judge Weinberg ordered the board to spend the money to bring back the administrative personnel for summer planning. At one point, he issued a specific order for the allocation of some $20,000 for administrators' overtime so that programs would be completed by the opening of school.

Even this did not end the controversy. Less than two weeks before the scheduled opening of school, the school board received a letter from the deputy mayor which reasserted the budget cuts and ordered that the school board not hire more than the 600 transitional

aides already employed. It also ordered the board not to replace provisional teachers. The board chairman read the deputy mayor's letter aloud at the school board meeting that day.

Later that afternoon, the school board's attorney delivered the deputy mayor's letter to Judge Weinberg. Copies were passed out to the parties in the courtroom, as well as to the media. After the attorney explained that the letter prevented the board from hiring the additional transitional aides, Judge Weinberg gave his opinion of the situation:

> The Deputy Mayor is not in charge of school desegregation. The court is. The School Board is not going to evade its responsibilities by taking a letter from the Deputy Mayor and saying it can't do this. The court is not impressed with this ploy. P-L-O-Y (court transcript).

This was still not the end of the budget dispute. In late August, only 11 days before the opening of school, the deputy mayor's assistant sent a letter to the school department's chief of personnel which voided the hiring of the additional temporary and provisional teachers (many of whom were bilingual and special education specialists). He said that he would be liable for a personal fine for spending money for which there was no appropriation. Less than a week before schools opened, school board lawyers brought up this matter with Judge Weinberg. The judge criticized the deputy mayor's interference, claiming it could undo much of the work that had already been accomplished over the summer. Weinberg asked:

> What does he know about public education? We are endeavoring to minimize the throwing of monkey wrenches into the plan. I want to find out where he gets his authority to cut back on teachers. The court believes the School Board should run the schools.
>
> At this juncture this man is not going to start directing the School Board what to do without the court's approval (court transcript).

Counsel for the city called for a full evidentiary hearing on the number of teachers actually needed. The judge responded that, with just five days remaining before the opening of school, there was no time for such a hearing. Weinberg ordered both mayoral assistants to appear in court the next day.

That day, the deputy mayor sent another letter to the school board saying that the city would pay for the teachers on a daily basis until October 15 if the board agreed to consolidate classes, in order to reduce the total number of teachers. Counsel for the city argued that hiring the teachers on a day-to-day basis would save money by enabling the school department to let teachers go in

October, if they proved not to be necessary. Judge Weinberg, however, said that state statutes required that the large number of Hispanic students in the kindergarten grades, as well as the large numbers of projected special needs students, receive adequate teaching support.

The opening of school was once again marked by confusion. Violence erupted in different parts of the city as well as in the schools. A teachers' strike occurred in early September lasting over a week which added to the general atmosphere of uncertainty concerning education in Riverton.

In late January the question of finance and desegregation emerged once again. The school department reported that it was spending at a rate that would likely produce a $20 million deficit and was proposing a budget of roughly $170.5 million for the next fiscal year. This figure did not include the deficit currently being projected. The city, meanwhile, was facing its own financial problems. The city treasurer projected a deficit of $33 million, and its bond rating had recently dropped two notches. An angry Mayor Burns again requested that school officials explain their deficit and prepare to make necessary budget cuts. School officials attributed the deficit to three major causes: (1) teacher staffing beyond the number provided in the appropriation ($8.6 million), (2) school transportation ($3.1 million), and (3) transitional aides ($1.7 million). It also was noted the school department had failed to obtain the maximum state reimbursement for desegregation transportation. According to a report submitted to the court:

> The deficit problem is compounded by the fact that State reimbursements for transportation costs during (the past year) may only amount to about 54% of actual expenditures. State officials contend that the school department has not presented adequate documentation to justify greater reimbursement. Inadequate record keeping techniques and unacceptable presentation of materials are at least partially responsbile for this situation (court submission).

The board proposed to save $6 million through the following actions: (1) closing four schools; (2) dismissal of 220 temporary teachers; (3) reducing by 300 the number of transitional aides; and (4) the elimination of 27 administrative jobs by transferring central office administrators back to the classroom. Some of the administrative positions to be phased out were in the Information Center and the Planning Center, two departments that were important in the desegregation planning process. The school department also proposed that some of the health and nursing facilities be transferred from the school department budget to the city budget.

A debate then ensued between the school department and the city.

City officials pointed out that the savings that the schools might receive in the health area were not really savings for the city since that account was simply to be transferred from the school budget to another city account. There also was some question as to the amount of savings to be realized from the laying off of 222 temporary teachers. This matter ultimately was resolved when the board explained that maintaining the teachers past March 1 would have necessitated a change in their status, requiring additional expenditures. Finally, the city claimed that school officials had over-estimated the savings that would result from transferring central administrators back to the classroom.

Finally, it appeared that where the schools would save a total of roughly $5.2 million, the city would save only $3.7 million. The board reconsidered the question of further budgetary cuts and asked the superintendent to develop a plan to further reduce the budget.

That week, Judge Weinberg held a hearing on the budgetary crisis. The mayor had asserted that desegregation was the cause of the school department's and, hence, the city's financial difficulties. Judge Weinberg questioned the mayor's interpretation. He suggested that the city and not desegregation was at the root of the school department's problems. Judge Weinberg proposed the following scenario: the school department is supposed to be guaranteed funding at the level of the previous year's expenditures. Each year, the school department exceeds their appropriation. The city then covers by transferring school expenditures into other city accounts. Thus, the schools are actually underfunded each year. "If this is the practice," reasoned Judge Weinberg, "then all the moaning emanating from City Hall about extravagance and irresponsible spending by the School Board is not accurate." This question was, at the time, at issue in a suit brought by the Riverton Teachers Union in state court.

Judge Weinberg approved the proposed reduction of administrative personnel. He took no action on the "temporary teachers" since this was tied up with the state court suit. The Riverton School Board, however, did not implement the administrator cutback. They returned to the drawing board to find other savings and to implement a revised budgetary process and a cost control system.

Later that spring, though, Mayor Burns asserted that schools would have to close early if savings could not be found. Judge Weinberg asked the mayor to appear in court. He was concerned that the Burns administration had "taken it upon itself to veto the Court's judgment." The city once again asserted that the school board's spending practices were "negligent," and even though there was "flexibility" in the city budget, desegregation was creating major hardships. Judge Weinberg reasserted his view that the city, not desegregation, was at the root of the schools' financial problems. The mayor, however, continued to threaten an early

closing of schools.

Five days later, Judge Weinberg asked Mayor Burns to appear in court again. He told the mayor to find a way to keep the schools open and went as far as to suggest four ways in which this could be done: (1) short-term notes against uncollected taxes; (2) an application to the state for emergency financial aid; (3) an early payment of state aid; and (4) transferring surplus funds from other city departments.

Finally, Judge Weinberg ordered that the schools be kept open. Mayor Burns threatened to float a special tax levy to finance the continuation of schools. This move, however, was opposed by the common council and no special levy was ever passed. Ultimately, the city found the resources to meet upcoming school payrolls. According to one city official, the funds were "in the checking account." Later that spring some of the ways of getting funds suggested by the judge began to come through. The state released $16 million in aid earlier than planned. This was only a temporary solution in that that money had already been encumbered for other purposes.

That year the mayor asked for an increased tax levy. His message to the people of Riverton is worth quoting at length:

> The city also is facing a severe financial crunch. Riverton faces a deficit of $33 million in the current fiscal year, the bulk of it caused by desegregation costs we cannot control.
>
> The School Board is responsible for $20 million of the total deficit, because school costs have continued to go way up even though enrollment has gone way down. Judge Phillip Weinberg's rulings have also greatly increased school costs.
>
> I have taken strong action to cut costs. I have cut $25 million from 25 agencies that are under the Mayor's control. And I have asked municipal unions to accept layoffs or a wage freeze. The budget cuts represent a reduction of 8.1 per cent, and this is the largest cut in Riverton's history.
>
> Our goal is to keep costs down and taxes reasonable. For four years we have held the line on the tax rate. But, with so many costs for desegregation out of our control and with federal and state funds dwindling, a tax rate increase for next year is, in all honesty, inevitable.

How much did it cost Riverton to implement the system-wide plan? Estimates vary from $18 to $30 million. In May, the

Riverton School Department presented the following list of costs:

Riverton Public Schools
Cost for Desegregation Activities

Activities	Cumulative Total as of June
Facility Renovation	$ 825,418.89
Reallocation of Equipment	191,459.69
Chief Plant Engineer	327,125.01
Workshops	64,760.82
Consultants	—
Office of Implementation	276,801.39
Assignment Unit	256,666.54
Student Transfer Office	84,834.19
Information Center	161,415.14
Student Community Affairs	53,965.90
Data Processing Center	59,226.87
Office of Personnel	51,179.85
Minority Teacher Recruitment	94,473.32
Transitional Aide - Office	136,996.03
Transitional Aides	4,251,291.60
Transportation Office	377,351.03
Bus Monitors	1,206,827.78
Transportation - Buses	6,252,215.44*
Superintendent's Office	14,888.68
Asst. Superintendent's Office	345,756.37
Summer Desegregation Planning	2,533,627.21

*This total is incomplete. It was expected to exceed $9 million. These figures do not include security costs charged directly to the city.

Activities	Cumulative Total as of June
Departments	38,375.44
Court Fees	162,023.35
Adm. of Institutional Linkage Program	103,516.80
Miscellaneous Items	18,171.81
TOTAL	$17,888,369.15

It is noteworthy that this list did not include any reference to savings from school closings or revenues from the state and federal governments. Riverton had been awarded over $4 million in ESAA funds. They also had received state reimbursement for their transportation costs as well as funds for the ILP. These funds, however, are received by the city treasury and do not appear specifically as revenues on the school department's budget.

Budgeting for Desegregation in Riverton

The following observations can be made about these "early days." First, there was no budgeting for desegregation. School officials found themselves implementing a plan they had not developed. No expense, we were told, was spared to secure the implementation of that plan. One official, for example, described an elaborate safety contingency plan involving multiple buses and large numbers of personnel. As one school official put it, "The budget didn't control desegregation. Desegregation controlled the budget."

Another school official, however, may have a more accurate view of the process. According to this official, "There was no budgeting process prior to desegregation and there was no planning for desegregation." According to this official, the district has only recently begun to extricate itself from this lack of foresight during the early days.

Secondly, the judge's actions created an atmosphere in which school officials did attempt to use the court to justify additional expenditures. As one Riverton official frankly admitted, "We always assumed that if we ran out of money we could identify desegregation-related activities and that that would be apart from the regular budgeting." The "strategy," as he put it, was "to use the Court as a reluctant participant in the resource scramble." The court became the Riverton School Department's undercover ally at the same time that it was the "fall guy" for the city. One Rivertonian gave this view of the long-term consequences of this

situation:

> So what you have going is a collision course between the 20 years of desegregation cases in history and fiscal constraints. The shrewd politician, such as Mayor Burns, will simply lay the tax rate and the cost on the courts and because the majority of Riverton's residents are lower middle class and poor and the majority are white, all this does is increase their resistance to desegregation and accelerate the exodus of white kids, and, in the end, leave the system as a welfare system.

In this sense, the question of desegregation costs became tied into a conflict between the mayor and the school board that predated desegregation. Judge Weinberg, despite his own efforts to avoid it, became a very unpopular third party in this conflict. While Judge Weinberg battled the mayor over the school budget, the Riverton School Board urged him to "get out of the case."

These conflicts came to a head one day in court. The city budget director, John House, was on the stand. Questioning concerned the mayor's reduction of the Riverton School Board's request for the next fiscal year. Weinberg had suggested that the reduction left the school board in an untenable position. They were given "X" number of tasks to complete within the upcoming fiscal year and were given "X minus Y" numbers of dollars to complete them. Isn't that like "giving a pilot instructions to fly to Chicago but only enough gas to reach Cleveland?" questioned the judge.

House responded that there was considerable waste and extravagance in the school department's budget.

"That's peanuts," retorted Judge Weinberg. "There's extravagance in my kitchen and in the presidential mansion. You can't expect perfection."

House disagreed. "The waste we're talking about is not peanuts...30% of the teaching time being paid for is not being delivered."

"I have doubts," said Weinberg, "whether the Riverton schools weren't given an impossible task to perform this year."

The Riverton School Board then returned to its office and voted unanimously to ask the judge to return jurisdiction of the schools to them. According to one board member:

> What I would like to have you [Judge Weinberg] do is get out of the whole thing. Everyone gets involved in a discussion about busing. Busing is not the real problem.

The real problem is that there are too many bosses.

In sum, four interpretations of the Riverton story are possible. One, we could agree with the judge and assume malicious intent on the part of city officials. There is some evidence for this. School officials point out, for example, that they lease some facilities from the city at an expensive rate. (Interestingly the court has, in one instance, ordered the school department to close one such facility.) The Riverton schools had a pattern of deficit spending prior to desegregation.* Two, we could agree with the mayor and claim that the Riverton School Board was spending irresponsibly. There is some evidence for this. Ironically, though, we could claim that the mayor was himself guilty of this same game, in charging police school duty spent around some of Riverton's troubled schools as overtime.** Three, it could be that both interpretations are correct; that while the mayor was attempting to hamstring the school department, and blaming school expenditures and desegregation for the city's financial difficulties, the school department was attempting to use the court and desegregation to secure more financial support from the city. Fourth, we could assume that none of these are correct; that no one had any control over spending and they were simply scapegoating one another. In any case, the bottom line is this: none of these scenarios provide a context for a calculated approach to budgeting for desegregation.

Reforming the Riverton Public Schools

During this time, three other important events occurred in Riverton. First, a new, more moderate school board was elected. The board member who had threatened to bankrupt the city moved on to the common council. The new board promised to implement federal court orders and regain control of the schools.

Secondly, the new board initiated a reorganization move in which the school superintendent was to have more control over the daily operation of the schools. Under the previous system, the operations and management side of the school department reported directly to the board. The board also approved all academic as well as operations and management hiring. Soon, a new superintendent (the third since desegregation began) would be hired. She, in

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*Currently, school officials claim that the city is placing expenditures in the school account that do not properly belong there. According to one official, these are expenditures which, in the past, were routinely covered by other city accounts.

**The hostility of the patrolman's association to desegregation was well-known and may account for the rather high wages. It is not implausible that their assistance was secured by buying them off.

turn, brought in a new staff which was better skilled in contemporary management techniques.

Third, the school board hired a budget director. Her task was to develop and implement a budgetary system that would produce more efficiency and accountability and to attempt to cut areas of waste in the school department. Although most Riverton school officials do not believe that these reforms are directly attributable to desegregation, many believe that the desegregation heightened the concern with budgetary and organization matters. John Praeger likens desegregating a school system to turning a stone in the earth and seeing all the worms lying beneath it.

Now, Riverton officials claim to have learned a great deal from the early days of desegregation. Some of this knowledge was technical, e.g., staggering school starting times, reallocating and, in some cases, reducing personnel. In a more general sense, desegregation focused attention on the budgetary process and pointed to the importance of improvement in this area. According to the old budgetary system, each school was allocated resources through a formula based on the school's capacity and a prescribed teacher-student ratio. Actual enrollment was not a factor. Riverton officials admit that there was little accurate data on enrollment prior to desegregation and, according to many of the officials we spoke to, there was considerable waste in the allocation of resources in schools. Desegregation required more accurate enrollment and attendance data. Since the court order came down, Riverton officials have done a number of long-term enrollment studies, and have increased the accuracy of their enrollment data. On this basis, they claim to have reallocated resources in accordance with more realistic estimations of school enrollments. In the recent past allocations were based on actual enrollments and not school capacity. Now school officials are beginning to develop their plans on the basis of projected enrollments.

The reformed position vis a vis desegregation has resulted in a new attitude towards the desegregation budget. Currently Riverton officials claim they no longer have any interest in itemizing desegregation costs. The system, according to school officials, is now committed to desegregation. Its costs are therefore indistinguishable from the everyday costs of education in Riverton. Desegregation is part of the normal operation of the schools. Interestingly, the total costs attributed by the school department to desegregation have decreased. One local newspaper, for example, reported the following totals for desegregation costs.

RPRRI	$21.2 million
System-Wide Plan	
(first year)	30.0 million

Budget System Reform .
School Department Reorganization

(second year)	$13.9 million
(third year)	12.0 million

Although school officials continue to blame high levels of spending on court-mandated programs and other fixed obligations (most importantly, employee contracts), school desegregation is no longer singled out as the most important reason for the city's financial problems.

Riverton's budget director, however, did claim that certain costs could be thought of as desegregation-related. These included the Office of Desegregation ($9.2 million, includes transportation costs); court-established councils ($.5 million); and safety and security ($.7 million). Even here there were certain questions. Safety and security, he suggested, were becoming a necessity in urban school districts regardless of desegregation.

Desegregation costs play some role in the district's current financial difficulties. Riverton's new plan to purchase its own buses (geared to save money in the long run) requires some initial expenditures which also are contributing to their current problems. In connection with the current budget crisis, certain desegregation programs have been slated for reduction. These include transitional aides and the cost of parent councils. The prospect of court intervention, should either the city or the school department attempt to close schools early, also has been raised.

This, however, is not the end of the story of desegregation costs. As a district which has been desegregating for some period of time, school officials believe that Riverton faces certain special "third generation" problems. These include issues such as school system stability, educational quality and equity. Riverton officials however face somewhat of a dilemma with respect to these issues. On the one hand, they signal compliance with court orders by demonstrating that desegregation is now integral to the system. This may be shown by indicating that desegregation costs are now part of the system's ordinary operating budget; they are indistinguishable. On the other hand, though, continuation of certain programs and securing of funds for new programs may be contingent on the identification of certain needs as desegregation-related. This is particularly important with respect to ESAA.

This dilemma is further exacerbated by certain recent events. School officials now claim that they have demonstrated their commitment to desegregation sufficiently enough for the court to "release its grip" on the Riverton schools. They note that the student assignment plan is now implemented and that they are in

compliance with a number of other court orders.

Court interference, according to one school official, severely impedes their planning efforts. For example, he claims that planning activities were delayed while "five lawyers argued about what a position classification and redesignation, consolidation and elimination meant; a problem any personnel officer would have dealt with in an afternoon."

Because of what school officials view as the court's intrusion into educational matters, they have reverted to the practice of attributing costs to desegregation. One official was up front about this:

> Our second-order strategy was as long as the Judge was in the case, let's make it painful for him with financial resources because it's one of the few benefits we can derive from the loss of the capacity to make decisions. At the same time, if we're ever able to make him withdraw from the case...we'd probably be prepared to take on the defense of the budget on our own. But as long as he's not willing to acknowledge the dividing line between desegregation and education...then we might as well take them [the judge and the experts] for what we can get.

Though the context has changed, the old system appears to have re-emerged. The attempt to "stop forced busing" and get the judge out of the case is now replaced by an effort to implement the court order and regain control of the schools. The desegregation budget, however, continues to be a weapon in the battle for control as it had been in the fight to "stop forced busing," and the question of control is an important concern in Riverton's current difficulties in facilities planning.

III. CURRENT ISSUES IN RIVERTON'S DESEGREGATION CASE

A number of issues are still before the federal court. The most important of these concerns the development of a long-term school closing and facilities plan. Other issues, including educational programs, transportation, community relations, and safety and security remain a concern for school officials.

Facilities Planning and Desegregation in Riverton

Over the past 18 years the ballooning of the Riverton school budget has been accompanied by a precipitous decline in enrollment. This had led a number of observers and external agencies to suggest

that savings could be realized from consolidation and school closings. In the past, however, the Riverton School Board, under pressure from parents and neighborhood groups, has been reluctant to close schools.

Since the implementation of the system-wide plan in the mid-70's, school closings and new school construction have become important components of desegregation planning. The court has stated that the resolution of these issues is crucial to the ultimate settlement of the case. Recently, Judge Weinberg said that "Facilities planning lies at the heart of all remedies for school desegregation and its completion in this case is the largest obstacle to the court's disengagement" (order).

Since finding the Riverton schools to be segregated, the federal district court has been involved in facilities planning. Because the Riverton School Board had managed facilities to foster segregation through site selection, new school construction, and renovation, the court maintained scrutiny over all decisions concerning new school construction and closings.

The system-wide plan provided for the closing of some 20 schools. This was to serve a number of different purposes. According to Judge Weinberg:

> Many schools in Riverton have long been recommended by many agencies, independent experts, and by the city and state, for closing or replacement as unfit for school use. The necessity of reassigning students for desegregation provides an opportunity to close some of the worst of these schools and make use of the more structurally sound facilities. A major reason for closing schools is that desegregation is more easily and economically achieved through the consolidation of student bodies. Many of the city's elementary schools in black areas have in the past been overcrowded; many elementary schools in white areas have been underutilized, e.g., when a new school was constructed to replace an old one in a predominantly white neighborhood, the School Board accommodated parents protesting the closing of the old one by keeping them both open. Should school facilities be uniformly used to capacity, an excess of several thousand available seats at the elementary school level would remain. Thus a number of the older elementary schools can be closed, with accompanying savings of the costs of operating and heating those schools. Elementary schools will be kept open whose locations enable busing to be minimized overall, and which permit the more efficient assignment of students, accomplishing desegregation and minimizing the

need to split police-blocks. Uniform utilization of facilities throughout the city will also tend to equalize the availability of the system's resources to all students.

Judge Weinberg indicated that various agencies had recommended the closing of some 55 of Riverton's 167 schools.

According to John Praeger the decision to order school closings was not taken lightly. He reports that at the time he visited a good number of the schools in the district making detailed notes of their condition. This was necessary, he says, because school officials would not share their information with the experts. Their reluctance, he claims, had two causes; (1) the fact that the information was not systematically organized and (2) the fact that information, according to John Praeger, and extremely valuable in school desegregation deliberations and that it was being withheld in part for that reason. Indeed, Praeger says that in some cases the visited schools which he had been informed were closed were found to be open. Praeger notes that the 55 schools mentioned in the judge's order comprised what he sardonically termed "the dungeon list." These schools, according to Praeger, were "too bad to even imagine."

Aside from school closings, subsequent orders have contained provisions for new school construction and facility renovation. Some new school construction which was already underway now fall under the jurisdiction of the court. Subsequent orders concerned such matters as repairs and renovations, leased facilities, and the use of portable classrooms. In some cases, the magnet programs required new construction and renovation. Perhaps the largest of the court-ordered projects was the establishment of a costly Vocational Educational Center.

New school construction and major renovations are financed by the city. The city secures the necessary loans. Once the building is completed, it is turned over to the school department which is responsible for its maintenance. If a school is closed and not assigned for any other school use, it is returned to the city for disposition. The state reimburses the city for 75% of the costs of new school construction and major renovations.

Recent Events

Following the proliferation of a number of newspaper stories and reports by various monitoring groups on excess space in the Riverton Public Schools, the federal court ordered the school department to collaborate with state and city officials in developing a long-term plan for school closings and new school construction. Riverton school officials proceeded to visit a number of their facilities. The costs of maintaining each building were determined

as were the projected savings that would accrue from closing specific facilities. Each school was rated according to the following criteria:

(1) Location with respect to other schools and residential areas with student populations

(2) Importance of the facility and site for the neighborhood

(3) Facility's physical characteristics

(4) Quality of educational programs and students' academic performance

(5) Enrollment patterns

At the same time, an external consulting group prepared ten-year school enrollment projections. The results of both these studies were shared with parent-teacher committees and administrators in each of the schools and with the district councils established as part of the desegregation plan.

Based on the projected enrollments for neighborhoods within the district and available capacity in specific facilities, a "demand" was determined for each facility. Then a profile was drawn for each school in terms of the above criteria. Based on the "demand" and the school profile a number of potential configurations were considered according to which certain facilities would be closed and their student populations transferred to other schools. These configurations were then shared with district superintendents, the district councils, and other involved administrators and school personnel. Some revisions in the plan were made based on these communications.

Some months later, the Riverton School Department submitted a school closing plan to the Riverton School Board. This plan (Plan I) recommended the closing of a small number of schools. Before sending this plan on to the court, and following public hearings during which opposition to closing the selected schools was expressed, the Riverton School Board reduced this number even further. In the end, the Riverton School Board slated only one school for closing.

This plan was never acted upon by the court. Rather, the court ordered the combined planning group to set an agenda for developing a new plan. The court required the combined planning group to assure parental input in the planning process. The court specifically ordered the elimination of one-half of the excess seats in the elementary grades.

The school department developed an agenda which also was submitted to the court. This included district planning with review

by the combined planning group. A planning manual was distributed to all of the districts where planning committees were established. These committees consisted of the district superintendents and representatives of school and parent groups coordinated through the court-established district councils.

At the same time a Central Planning staff was established for the Riverton School District. Budget officers were not included on the staff. The plan, according to the superintendent, was not to be governed solely by budgetary concerns.* Further enrollment projections and available space estimations also were made at this time. According to these studies, the number of excess seats in the elementary grades was considerably less than previously estimated. The previous reports had not taken programmatic considerations into account in preparing their capacities. Based on recommendations from the district planning groups and the updated space and enrollment estimations, the school department, in consultation with the state and city members of the combined planning group, developed a draft plan that was circulated to the various districts. Although some planning councils made recommendations in accordance with the planning agenda, other districts felt that they could not make any recommendations given the magnitude of the required changes. Further modifications were made on this plan before it was submitted to the school board.

After a few months, Plan II was released to the public. It called for the immediate closing of 11 elementary schools, though it guaranteed the continuation of certain "continuation" schools throughout the 1980's. Other "marked" schools were to be phased out as their enrollments dropped below 85% of capacity. The plan also contained a general program for renovations, a less costly approach than replacement through new school construction.

This plan was criticized by a variety of different groups. A month later, a revised plan was completed. According to the Revised Plan II, certain specific schools were "tied" with other schools. In the event that the combined enrollment dropped below 85% of the total capacity, one school would be closed and students from that school would be transferred to its "tied" school. Provisions also were included for the creation of mini-magnet programs in schools within districts to attract students on a voluntary basis. This plan was presented as addressing the dual goals of stability and racial balance. Although the Riverton School Board authorized its submission to the federal district court,

*The reader should note a difference between this post-reform attitude towards budgetary considerations and the manner in which budgetary concerns were treated in the "early days." In the early days a budget-conscious approach was simply not an option. At this point, a conscious decision was reached to limit budget officers' participation. Interestingly, the budget officers we spoke to were distressed by this.

they did not approve the school closings.

Judge Weinberg then conducted hearings on the Revised Plan II over a five month period. Although he rejected the plan as a whole, he did order the closing of 12 schools, 10 of which were proposed by the plan. Currently, this order is on appeal.

Plan II: Revised and Unrevised

Serious facilities planning began with Plan II. According to the Riverton school superintendent:

> The combined planning effort was driven by a court-ordered assumption that a reduction in the number of excess seats would be an effective way to enhance desegregation, without apparent consideration of the possibility of attracting more students into the Riverton schools and without consideration of the need to stabilize present enrollment; that is, to assure parents and students of some consistency in school assignment throughout a child's progress through the schools. The first formulation of the Plan that I reviewed...was seriously defective by an almost mechanical approach to a definition of space adequacy and an inability to project impact on enrollment, educational programs and costs. The present Plan represents a major professional step forward in those respects. It also signals the work we must do in the reinforcement of middle schools and the restructuring of the high schools (school department memorandum).

The process of developing Plan I was begun under the direction of the old board, prior to budgetary reform and reorganization. Plan II was the creation of the "reformed" system.

Four fundamental forces, according to the Riverton School Department, helped to determine the content of Plan II. The most immediate of these was the court's order requiring the elimination of excess seats in the elementary grades. Judge Weinberg thought that the existence of excess space was a threat to the student assignment plan. He believed that this unnecessarily complicated the implementation of the plan requiring the monitoring of a larger number of schools. More importantly, he felt the existence of nearby under-enrolled schools sustained a basis for hope among parents that children would be assigned to nearby underutilized facilities rather than racially balanced facilities.

Secondly, the declining birth rate and a reduction in the population of women of childbearing age and the propensity of

parents not to send their children to the Riverton Public Schools meant that more space would become available in the next ten years. Currently, excess space was a problem primarily in the elementary grades. In the next few years it would become a problem at the secondary school level.

The third factor was "the impact of national economics and the new thrust towards austerity in the public sector." Recently passed Proposition-13 type legislation placing a limit on the municipal budgetary increases further pointed to a need for consolidation.

> Under the constraints of recent legislation every dollar allocated to heat, maintenance and repair of educationally ineffective facilities must be diverted from educational expenditures. So cost and safety calculations must not only include estimates of savings derived from closings matched against expenditures required for rehabilitation or new construction. They also have to consider variations of per-student operating costs over an indefinite period of time and the consequences in terms of teacher assignments and effectiveness.

According to the Riverton school superintendent, however, the most important issues in his mind were concerns of educational quality and equity. The continuation of public education in Riverton was contingent on improvements in these two areas.

After the basic data were collected the superintendent directed the school department to run three simulations modeling the effects of different approaches to a city-wide facilities plan. The first simulation maximized racial balance. The second maximized system stability, by weighting most heavily the variable of school-home proximity and minimizing transportation. A third, the "moderate" approach gave equal weight to each of these concerns.

These simulations revealed two important findings. First, there were no "significant" differences in racial balance enhancement between the three plans. Secondly, the transportation requirements varied significantly. The racial balance enhancement model required a large transportation increase while the "stability" approach projected a substantial decrease in transportation. The "moderate" approach projected an increase in transportation. This increase was, however, substantially smaller than that projected by the "racial balance enhancement" model.

A comparative analysis was then made of 15 schools which would be closed using the moderate approach. This comparison indicated that schools scheduled to be closed were generally "old, small, with large amounts of excess space, costly and not of an

effective size for contemporary education." According to the Riverton School Department, teacher-student ratios that went below a specific level could be counterproductive. In contrast the schools scheduled to receive these students were generally newer and in better condition, enrolled at a level of two-thirds to three-quarters of capacity, with more educationally sound student-teacher ratios. Educational data, such as reading scores and achievement results also were used in the comparative analysis.

The Revised Plan II was based on the same data as the original Plan II and was geared to facilitate both educational quality and stability. Stability was to be enhanced through the "Type 1 Ties", which linked two or three elementary schools for a period of years. As enrollment declined and one or two of the schools were to be closed, students from that school would be guaranteed a seat at the "tied" school. Plan II also contained a provision for mini-magnet programs to be established at elementary schools in the district ("Type 2 Ties"). A specific number of seats at these schools would be reserved for students who lived in the district.

The Riverton School District acknowledged that their plan contained two elements that could be seen to conflict with programs established in the system-wide plan. The first of these pertains to the provision for mini-magnet programs located within districts. According to the Riverton School Department, school closings and the maintenance of the district-wide magnet schools could exacerbate both student desegregation and educational equity. One school official put it this way:

> As to the interaction between district and magnet schools, I believe we must recognize that there are programmatic limitations to the number of magnet concentrations that can be created. Strictly speaking, even in the pseudo-scientific terms, each magnet requires a field-of-force beyond which it loses the attraction. Given a fixed number of students city-wide, the perpetuation of magnets guarantees the diminution of students in areas beyond the magnet fields. I believe it is essential that the district schools be provided an opportunity to establish their educational equity in a way that simultaneously aids the goal of desegregation. Indeed, the Court so mandated in its order of a system-wide plan. Therefore, magnet schools should be subject to the same educational criterion of approximate size as district schools (school department memorandum).

The second potential discontinuity with the system-wide plan concerned the development of a new student assignment system for pupils who required transportation from schools to Type 1 or Type 2

Ties. This did not fit completely with the "police-block" approach used in the formulation of both the RPRRI and the system-wide plan. The Riverton School Department viewed facilities planning as an opportunity to improve this approach.

> What the districts and the police-blocks both lack for the years ahead are contemporary organizing concepts. Ideally, whatever the assignment process might be, a school district should be made up of contiguous neighborhoods which, while possessing special identities, are tied together by main thoroughfares, established transportation patterns, and common public services. Where possible, there should be central areas to which residents identify, central places for shopping, central public offices, easily identifiable recreational facilities, and landmarks. Even if given neighborhoods are distinct, the common purposes and movements of district residences should be acknowledged. Then, the character of racial composition can be accommodated with a better fit with community activities, and less disparate neighborhoods brought together.
>
> The same absence of an organizing concept characterizes the police-blocks. Borrowed at a time when sudden decisions were required from an analysis designed to optimize the dispatch time of police patrol vehicles, police-blocks have never reflected where families live and meet one another, where children grow up and play together, where churches, playgrounds and local stores are situated, where over-the-fence conversations take place. The notion of genuine neighborhoods is not accommodated (school department memorandum).

Local school officials believed that the demographics of Riverton plus the existence of the magnat schools exacerbated attempts to foster desegregation. The exodus of white students to fill quotas for the magnet schools left certain districts sufficiently segregated so that maintaining court-approved racial ratios in district schools became impossible. In other districts the loss of black students to the magnet district made it impossible to racially balance schools there. Achieving court-established guidelines would have required a complete revision of the court-approved system-wide plan. Riverton officials saw the mini-magnet idea as one way to facilitate desegregation while maintaining the basic plan.

Opposition to the Plans

There was considerable opposition expressed towards Plan II in both the revised and unrevised versions. Although much of this

opposition was expressed by school and neighborhood groups concerned with the closing of specific facilities, others objected to the plan's overall approach--specifically, the idea that certain schools would be marked for closing as their enrollment declined some time in the future. According to one Riverton school official, these schools were seen as having the "stigma of a terminal illness."

A combination of plaintiffs, teachers, and members of court-established councils objected to Plan II on both conceptual and technical grounds. The plaintiffs complained that the plan failed to achieve the broader goals of desegregation. According to this argument, "...the goal of the remedial phase of a desegregation action is not to merely achieve racial balance in the schools but to cure the continuing effects of segregation and discrimination." Some of these "effects", manifested in poor educational facilities and low reading scores, would not be eliminated by this plan. Furthermore, Plan II, in their view, would create greater inequities between schools. In general the plaintiffs pushed for the idea that every school should be as equal as possible in terms of basic facilities and other programs. The plaintiffs also argued that Plan II violated other court orders geared towards "ancillary relief." For example, they cited a previous court order requiring that each school have a principal. According to the tie concept, some tied schools would have only an assistant principal. They also claimed that tied schools would have disparate grade structures violating a previous court order that grade structures be uniform.

Beyond this, plaintiffs echoed others' concerns that Plan II did not take into consideration the space and resource needs of special needs and bilingual students, some of which are required by state law and the district's voluntary efforts in the area of bilingual education.

These concerns were echoed by a court-appointed parent council. In a brief filed with the court, the council criticized Plan II's data base. According to them, the planners failed to base their closing decisions on educational needs. The council was distraught by the fact that there was no mention in the plan of "quality integrated education." In a hearing sponsored jointly by the council and the Riverton Teachers' Union, testimony was offered that challenged Plan II's data base as well as the specific proposals. According to the council, Plan II was:

(1) Based on inaccurate population projections. The council argued that any long-term projections be delayed until the completion of the 1980 Census.

(2) Based on inaccurate need utilization estimates. The space requirements for programs were not correctly formulated.

(3) Based on incorrect estimations of bilingual needs. According to the council, Plan II closed too many schools in the Hispanic section of the district, a section according to them that had a growing population (submission to the court).

The council pointed to other gaps in Plan II. For example, Plan II's school renovation program was predicated on state reimbursement. Yet the state had not yet approved the renovation program. How were the state funds to be guaranteed? Similarly, the council was concerned about how the mini-magnets of the Revised Plan II would be funded and the nature of their programs. The council also criticized the plan for not having a high school program.

The council claimed that the budgeting for schools of uncertain status was incomplete. According to them, these schools would be zero-budgeted. This would certainly lead to a deterioration of the physical plant and educational programming at these schools.

Finally, the council opposed the tie concepts of the Revised Plan II on the grounds that this would contribute to the already existing instability in the system. According to the council, "A child could be transferred between tied schools year after year and also during a school year. This could hardly be conceived as a stabilized environment for children. A principal could also send all the 'troublesome' children to one school." The council also pointed out that under the Revised Plan II, grade configurations could be shifted from school to school. This also would have a destabilizing effect. The council was concerned that the closing of tied schools would result in the loss of staff. How staff were redistributed and how this would effect compliance with court orders pertaining to the teacher and administrative desegregation and to affirmative action in these areas were questions the council was very much concerned about. Furthermore, the council claimed that the impact of closing tied schools on the desegregation plan had not been completely analyzed. In the council's view, Plan II was based primarily on criteria related to the physical characteristics of the facilities. Little attention, they claimed, was given to its impact on desegregation or the effect of school closings on particular neighborhoods. The council disagreed with the Riverton School Department's position that maintaining small schools was educationally counterproductive.

The council also criticized the school department's efforts to obtain community input to the plan. They complained that school department officials had ignored their concerns and recommendations. Moreover, the school department did not allow enough time between the release of various draft proposals and their submission to the court for serious review by citizen groups. As an example, the council claimed that the Revised Plan II was

released less than a month before it was submitted to the court--hardly enough time for serious consideration.

Judge Weinberg did not approve Plan II, though he did praise it as a good first step. The plan, according to the judge, did not meet the requirements of the initial order. More importantly however, the plan "implied wholesale amendments to previously challenged court orders."

The judge agreed with the plaintiffs and other critics of the plan that the school department had not given sufficient consideration to matters concerning educational quality. He also criticized the department's effort at obtaining community input.

The court, however, made no official response to plaintiffs' concerns about educational equity and the request for ancillary relief. School equalization, from the standpoint of the court, is an "ideal." In pursuing this ideal, it was important for parties to distinguish between the "essentials" and "incidentals." Judge Weinberg urged the parties to reach a consensus on what these essentials were and how they ought to be allocated.

Judge Weinberg did reaffirm the overall feeling that educational and facilities planning must take place simultaneously. Although he agreed with the plaintiffs that defendants had paid only "scant" attention to this in the past, the judge did say that the recent compilation by the school department of more refined data, indicating not only the size and numbers of rooms, but also each facility's capacity for a wide variety of different programs indicated that more progress had been made in this area. According to Judge Weinberg, neither the court nor other parties to the case could have predicted the substantial increase in the number of students requiring specialized programs. From the court's prespective, these increases constitute one of those unforeseeable consequences that impinge on the successful implementation of desegregation. School department officials must see to it that schools come as close as possible to court-mandated racial balance guidelines, while assuring that federal and state mandates concerning special and bilingual education also are complied with.

Judge Weinberg ordered the closing of those elementary schools specified in the Revised Plan II. He also added two other schools which were included in a back-up plan developed by the state and had been named in other plans previously submitted by the school department. This, he said, would bring the school department into compliance with his order to reduce by one-half the number of excess seats in the district. (He accepted a lesser estimate provided in the Revised Plan II for the total number of excess seats.) He refused, however, to close the high school proposed in the Revised Plan II. According to the judge, the school department had not shown that closing the school would not interfere

with educational programs already at the school and jeopardize state funds used to support those programs. Judge Weinberg pointed out that this school had a particularly good educational record in terms of high daily attendance and a low suspension rate. The judge also feared that closing this school could cause overcrowding in other high schools in the district. If future enrollment patterns dictated, however, the judge said he would permit the school to be closed and transformed into a middle school as proposed by the school department.

In ordering the closure of 12 elementary schools, the judge indicated that all of the schools were too small to be practical. He cited testimony from school department officials that education may not be as effective in schools that enroll less than a certain number of students. He also pointed out that state reimbursement regulations prohibit the allocation of state funds to refurbish schools that cannot enroll a specified number of students.

In citing the specific schools for closure, the judge used the following criteria:

(1) Current and projected enrollments

(2) Educational programming (e.g., as reflected by test scores and attendance patterns)

(3) Racial balance and the effect of closing the school on the racial balance of other schools in the district

(4) The potential value of the building once it had been closed. (In one case, the judge ordered the closing of a building leased by the city from a private organization. In this instance, neither the school department nor the city would benefit by continuing the lease.)

(5) The costs of major improvements necessary to keep the building open and the availability of state reimbursement

In making these decisions, the judge compared the selected schools to other schools in the district.

Judge Weinberg expressed considerable dissatisfaction with the tie concept as expressed in the Revised Plan II. The judge raised two objections to this idea. First, he claimed that this concept contravened previous court orders with respect to uniform grade structures. In the past, the school system had used dual grade structures in predominantly white and black schools to foster segregation. The tie concept could reintroduce this

problem. The idea of an assistant principal taking over one of the schools also violated a previous court order requiring that each school have its own principal.

Beyond this, the judge claimed that the tie concept would result in the creation of another school assignment system, different than the one used in the system-wide remedy plan. This would make it difficult for the school defendants to make adjustments in the future to ensure student desegregation.

Secondly, Judge Weinberg addressed the school department's argument that any shortfall in achieving desegregation that resulted from Plan II would be compensated for by the greater stability provided by the plan through giving parents a clearer idea of where their children would be assigned to school in the future. Judge Weinberg stated:

> ...the proposal would be divisive, confusing and destructive of the very stability which the court has sought to achieve in numerous previous orders. Schools paired in so-called type 1 ties would have one school predestined for closing; schools in type 2 ties would not know upon adoption of the arrangement which school would be closed should the combined enrollment of the pair drop below the established minimum percentage of the capacity of either of the two schools. Schools predestined for closing would in all probability be operated like schools predestined for closing, i.e., with a reduction in the number of educational services to the children.

According to the judge the Type 2 ties could result in competition among different schools. Given the shifting formulae for defining enrollment capacity, the tie concept left the door open for some schools to operate with an enrollment significantly less than capacity, thus undermining both the financial and desegregation goals of the plan.

The court also criticized the mini-magnet idea. Judge Weinberg agreed with the plaintiffs that this would create educational inequities. He was also concerned that the mini-magnets would require an unnecessary number of administrators. Beyond this, the judge was concerned that the school department had not shown how they would assure the funds for the mini-magnet programs.

In conclusion, Judge Weinberg required the combined planning group to produce a more detailed ten-year plan. He issued three guidelines in this regard:

(1) The new plan would be similar to the original Plan II in providing specific decisions and the data base on

which those decisions are made. This plan should be consistent with the planning guidelines previously accepted by the court.

(2) The plan should be more than a "school closing plan." When closings are specified, specific criteria should be indicated. The planning group's assumptions and commitments concerning educational planning should be spelled out.

(3) The plan should have the complete agreement of all the members of the planning group.

The school board appealed Judge Weinberg's order, claiming he had overstepped his jurisdiction. They also asked the court of appeals to stay the district court's order requiring them to close 12 schools. Significantly, the plaintiffs joined the board in its appeal though for different reasons: their primary concerns pertained to matters of educational equity. The court of appeals granted the stay and the school closing plan is now in a holding pattern while the appeal awaits the arrival of transcripts and court records. The problem, however, is that any savings that could be realized through school closings are tied up in the appeals process. This severely constrains the system's ability to cope with its increasing budgetary problems.

The Concerns of Facilities Planning

In the past, Judge Weinberg has noted the "tortuous path" of the facilities plan in Riverton. The school department's current difficulties in satisfying court orders may be seen as further instances of this aggravation and frustration. To some extent, problems such as these could be expected in any urban school district. As one Riverton official puts it, any current planning for the future necessarily inherits the problems of the past. These problems are exacerbated even further when that past has entailed a history of segregation.

School department officials are often baffled by court orders and have expressed some confusion as to their meaning and how they are to be satisfied. According to one Rivertonian, they are told to desegregate, but they are not told what desegregation means. According to this official, the judge is trying to make certain decisions based upon his anticipation of what is likely to occur in the future. She and other Rivertonians do not believe that forecasting the future is an appropriate role for the court.

One Rivertonian, Mr. Barker, who has been deeply involved with facilities planning, reports that he is having considerable difficulty in meeting the judge's order that they develop a long-

term facilities plan. The judge has required them to record both conditional and unconditional closings. Given the response to Plan II in its original and revised versions, this administrator feels faced with a peculiar dilemma. If they identify a school for closing, then the judge is likely to say there is "some kind of curse" on the school. Education at the school will suffer, and students will be deprived of both a quality and equitable education. If they fail to identify specific schools for closing, then they will not have fulfilled the court order.

Some school officials believe that direct meetings with the judge and his experts would provide them with a better idea of what is required of them and how they might produce it. Most others, however, believe that the judge should limit his involvement. Mr. Barker, for example, suggests that the court limit its concern to two areas: (1) specifying what a desegregated population is and insuring that the school department sees that it is met, and (2) specifying what constitutes an intolerable vacancy level and assuring that this is met.

A number of parties, however, are unhappy with the combined planning effort. They contend that it is difficult to work together. Each party has somewhat different agendas. From the court's perspective though, the combined planning effort may be a necessity due to the complex relationships between the state, city, and schools with respect to new school construction and renovation. This may become even more important as local and state capital outlay budgets are reduced in the future.

Rivertonians face another peculiar dilemma with respect to the court's role and facilities planning. Some school officials claim to appreciate the growing concern on the part of both the court and the plaintiffs with respect to matters of educational quality. As a mature district with respect to desegregation, many Rivertonians feel their ability to garner federal funds is based on the extent to which they can identify new needs that are clearly linked to desegregation. To the extent that the court and other parties identify some matters concerning quality education as desegregation-related, some believe they can better press their case for federal assistance in this area. If the court had approved a plan calling for new educational programs and a new student assignment plan, the identification of new desegregation-related needs may be more easily accomplished. So, while they want the court to limit its involvement, they do not want the court's complete disengagement from the case.

It is in this connection that the position of the plaintiffs takes on significance. The plaintiffs had never appealed or supported the appeal of any previous court order. Anti-busers consistently portrayed Judge Weinberg as the plaintiffs' "ally." In connection with the facilities plan, though, the plaintiffs and the court have reached somewhat of an impasse. Judge Weinberg

is not convinced that matters concerning educational equity properly belong under the desegregation suit. Although this certainly may be a properly legal view, it may also signal an unwillingness on his part to be used in the "resource scramble." *

Educational Programs and Desegregation in Riverton

Desegregation-related educational programs in Riverton include: magnet schools, magnet programs, institutional linkages, and a variety of special programs geared towards such things as staff development, multi-cultural curricula, remedial reading and math programs, specialized educational centers, innovative approaches to students' academic and disciplinary problems, and others. These programs are funded by a combination of federal, state, and local funds.

These programs are complexly intertwined. The funding relationships are equally complex. For example, Riverton has a magnet school district which has programs that are in part supported by federal and state as well as local funds. However, federal funds are not used for the basic programs in these schools. Rather, they provide support programs such as remedial reading and math. On the other hand, a considerable amount of federal funds are used for both magnet programs at non-magnet schools as well as for support activities at both magnet and non-magnet schools.

The situation is even more complex with respect to the state. State regulations provide funds for magnet schools and programs. These funds are allocated according to a formula (based on the legislature's appropriation) and on a discretionary basis. With

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*A number of years before, Judge Weinberg attempted to address the issue of pressure being placed on the plaintiffs. He asserted this, after the court of appeals upheld the system-wide plan.

> The desegregation plan in this case has become in effect a Court of Appeals plan...binding on the district court as well as the parties unless altered by the Supreme Court of the United States after grant of certiorari. Some parties have encouraged a popular misconception that, if only sufficient pressure can be brought against the plaintiffs, the school department, members of monitoring councils and the court, the plan may be set aside by the trial court. On the contrary, quite apart from the constitutional necessity of the system-wide plan, the court's power to change it is strictly limited.

The Supreme Court refused to hear the case. Now, however, a number of years down the road, this approach, once instituted to protect the plaintiffs and other specified parties, may have come back to haunt them.

these funds, the state provides programs at both magnet and non-magnet schools.

Magnet Schools

As part of the system-wide plan that went into effect in Riverton a separate city-wide district of magnet schools at the elementary, middle, and high school levels was established. Each school had a particular theme, e.g., music and art, science and technology, basic skills, trade, college preparatory, etc. These schools were to be "voluntarily integrated" drawing their students from the entire city rather than from specific attendance areas.

In 1979-80, Riverton budgeted roughly $33 million of local funds for the magnet school district. School officials do not view this total as a desegregation cost. According to them, the students who attend magnet schools (they comprise one-third of the total student body) would need to be educated anyway. John Praeger tells us that in developing the magnet school district they worked under the assumption that funding of these programs would require no additional expense to the district. It should be remembered that the idea for magnet and alternative educational programs was taken from the school board's proposal for a "voluntary" plan.

ESAA funds are used for the following sorts of services in Riverton's elementary and middle school magnets: staff development for multi-cultural teaching, mini-grant monies for multi-cultural materials, career awareness programs, small group instruction in reading and math, innovative approaches to discipline. At the high school level, ESAA provides Riverton's college preparatory program with a guidance and counseling office and tutorial services for minority children. At their trade school, ESAA funds were used to help develop a dental hygiene maintenance pamphlet. ESAA provides reading programs at a number of Riverton's magnets and supports a physical education and curriculum development program along with after-school activities in dance and photography at their theatre and communications magnet.

Riverton also receives about $1 million from the state to help support the magnet schools. The state also provides other support for magnet programs, totaling roughly $5 million. State funds are allocated according to the following guidelines:

(1) The average cost per pupil of educating each child who attends such a facility or the public school district of which such facility is a part, less the average cost per pupil of educating each such child at the public school which he otherwise would have attended

(2) The cost of transportation of each child attending such magnet school facility

(3) The cost of planning and construction, reconstruction, enlargement, rehabilitation, or other improvement for the magnet school facility provided, however, that no such grant shall be for more than seventy-five percent of any such cost

(4) Such other costs incidental to the provision of the magnet school facility as the board may approve

These funds support a variety of programs at Riverton's magnet schools. At the elementary and middle school levels these include music programs, field trips, multi-cultural activities, extended day kindergartens, career exploration programs, and library materials and workers. At Riverton's magnet high schools, state funds support remedial math and reading programs, computer science programs, media technology, theatre art and music programs, bilingual programs, and some extra-curricular activities.

Institutional Linkages

The state supports virtually all of what is probably the most ambitious educational component of Riverton's desegregation program--the institutional linkage program. Through this program, linkages have been established between all of Riverton's schools (magnet and non-magnet) and community institutions, including educational institutions such as colleges and universities, cultural institutions such as museums, zoos, parks, etc., and community organizations. These funds also support specific programs in the schools. A small amount is used for part-time mini-grant programs in non-desegregated, primarily black schools. The linkages between specific schools and school sub-districts and the local educational institutions are by far the largest component of the institutional linkage program.

There are two major types of linkages. First, there are direct linkages between specific schools and community institutions. Many of these were included as part of the original desegregation plan. Minimum amounts are set aside for the continuation of these pairings. According to one Riverton school official, there have been only three "divorces" since that order.

Secondly, there are linkages between institutions and the school sub-districts established in the system-wide plan. A minimal amount is set aside for continuation of those district level linkages that were established as part of the system-wide remedy.

Money also is available for linkages with community organizations and for specific school level programs approved by the state. Finally, a small amount is set aside for the maintenance of some magnet programs in non-desegregated schools.

The institutional linkage program was initiated under a state law that provides incentives for districts which take measures to alleviate racial imbalance. Magnet and education programs were viewed as important means of achieving this goal.

One state official accounts for the origination of the linkage program in the following terms:

> When Judge Weinberg ordered a desegregation plan... he included commitments for institutions in the area for an in-depth relationship to specific schools and districts...
>
> The State Commissioner of Education responded immediately with a commitment of state financial support to planning and program aspects of these relationships.
>
> It fell to me, with my colleagues in the Bureau, to develop criteria for funding these programs.... It should be noted that we did not attempt to define specifically the kinds of services and objectives which would be appropriate. Instead we stressed a theme which we have continued to believe important: setting priorities at the school level, not in the outside institutions which seek to serve the schools... We had been concerned about the possibility that universities would tend to "sell" the programs which they currently offered, especially those which were suffering from declining student demand. We wanted to assure that the needs of each school would be identified through a real dialogue with the university partner.
>
> By and large, our concern about this problem has largely vanished over the years. Certainly we found ourselves funding programs which the schools would not have designed or selected if given a totally open choice. In some cases these programs have come to be an effective part of the schools; in others, they have fallen away as other priorities arose. The impact of state funding was not unlike that of funding for research--not every line of approach proved useful, but many new directions were opened up which would have remained unexplored had we placed stricter requirements from the start. When offered a choice, many school people appeared grateful to explore the options offered

by the universities, while most university representatives did their best not to overwhelm the schools with pre-packaged programs.

Over these few years of developing relationships, most partnerships have been strengthened to a remarkable degree as the partners learned to work together and to hear each other's constraints and concerns. Two or three have not worked out and have been dissolved by mutual consent, but far more have been established voluntarily, and there are now more than twice as many partnerships as were included in Judge Weinberg's original order.

Significantly, state financial support for the ILP came after the court had approved the program. Neither the masters nor experts claim to have been aware of the availability of state funds. The state commissioner of education claims that he interceded only after the decision had been made.

Each year a complex approval procedure is employed for each linkage. The cost of this process is assumed by the state. This includes stipends for teachers and administrators. The school department, however, pays the salary of one administrator and a secretary in their Grants Office.

When the system-wide remedy was implemented the state committed roughly $3 million to this program. This amount has not been increased over the past few years. Riverton officials are thus faced with the dilemma of maintaining programs whose costs increase as a function of inflation and other external factors while the revenues remain static.

School officials attempt to co-ordinate revenues from the different state funding sources at the program level. For example, the development of a magnet program may be funded with monies taken from both the ILP and magnet program component.

Riverton's ESAA Programs

ESAA funds are used in Riverton's magnet and non-magnet schools with a substantial portion going to the non-magnet districts. For example, ESAA funds are used to support a magnet program at one of Riverton's district high schools. Because of logistic difficulties, this school was not included as part of the desegregation plan. For that reason, a magnet program was established at the school to attract minority students on a voluntary basis. Support was granted for the program under ESAA's magnet component. However, school officials regret having submitted this project under the "magnet" title. They believe that the program is justified under a "basic" grant, since it desegregates a substantial portion of

an otherwise untouched section of the district. The program was not funded in 1980-81. However, it is being maintained with local funds. Under their magnet grants, Riverton also receives funds for their extended day kindergarten program and a program to help boost minority interest in science and technology careers.

ESAA funds are used for educational programming through other grant components as well. ESAA helps support innovative approaches to discipline and guidance counseling in magnet and non-magnet schools on a needs basis. ESAA funds are also used for the development of multi-cultural curriculum and art and music programs. Substantial funds are used for a middle school language arts program and a tutoring program for students who suffer educational difficulties as a result of prior segregation. The only program specifically provided for a magnet school is a tutoring program for minority children at Riverton's advanced college preparatory magnet. This program had been ordered specifically by Judge Weinberg.

Riverton received $1.9 million in ESAA support when the RPRRI was implemented some time ago. The first ESAA grant, we were told, was geared to primarily two purposes: (1) educational programs, particularly multi-cultural enrichment programs and programs to reduce the disparity between black and white student achievement levels and (2) "affective" programs concerned with community response and human relations.

Over the years there has been some shifting in the types of programs funded by ESAA. Riverton's ESAA director reports that the district had received considerable funds for basic skills programs. These programs, however, have been de-funded and, as a result, discontinued. The only remaining ESAA funded basic skills program in 1979-80, we were told, was the language arts center. This program was not funded in 1980-81.

Although many programs have been discontinued, the district may still enjoy some of the benefits of previously funded programs. New equipment for example, and strategies for multi-cultural and human relations approaches developed from ESAA funded workshops do not disappear when the funding ends. Riverton's ESAA director reports that a diagnostic test to measure language and reading problems initially developed with ESAA support continues to be of value to the system.

Other discontinued ESAA educational programs have been maintained with district funds. The extended day kindergarten program, for example, was defunded. During that time, the school department maintained the program with a "skeleton" staff. The program was refunded for the 1979-80 school year but was not funded for 1980-81. Some of the costs of the school-community relations program are now covered with ESAA money, and ESAA support

has recently been supplied to the parent councils. Other formerly ESAA funded programs have been moved to other federal grants. Some bilingual programs for example were shifted to ESEA Title I. Other shifts have taken place within the ESAA grants themselves. During the past year, some monies were taken from education programs and applied to safety and security following the eruption of racial incidents in some of the schools.

In one five year period following the implementation of the RPRRI, Riverton received over $22.5 million in ESAA funds. The largest amount received in any one year was $7.4 million. School officials attribute their early success with ESAA primarily to the efforts of their Washington representatives. When the status of one of their grants was in question, one school official told us, Congressman Williamson met with an ESAA director and an arrangement was made to continue the program. This official suggests that we draw a distinction between school districts that have influence in Washington and those that do not. For the former, the application and negotiation processes that are supposed to guide the obtaining of ESAA funds generally do not apply. Indeed, one court official reports that some early ESAA funds were obtained without any formal application at all.

Recently, however, Riverton's ESAA allocation has been reduced. In 1979-80 they received roughly $3.1 million, while in 1980-81 their allotment was cut to roughly $2.6 million. It appears that the district's "clout" may not be as effective as it once was or, that as time passes, Riverton's case for certain programs becomes weaker. Indeed, a large number of pupils who were in the schools when the RPRRI was implemented have now graduated. This year a very popular mini-grant program was cut from their application.

As a mature district (desegregation-wise) school officials feel they have different problems with respect to obtaining federal funds. They are concerned about potential cuts at both the state and federal levels. According to one Rivertonian, the challenge now is to show how the district's needs are related to desegregation. In some cases this may be relatively easy, as when the court requires the provision of a particular educational program. For example, ESAA funds help support tutorial programs at Academic High and an innovative approach to discipline at one Riverton school that experienced an exceptionally high suspension rate. Both of these programs were required by a court order.

In general, though, school officials believe they have to re-define desegregation in order to better press their case for federal support. According to one school official, this means we have to include "quality education." This official points to a similar interest on the part of the plaintiffs.

Riverton's current programs appear to follow court orders

quite closely. These include a community and student affairs program--related to a court order requiring the establishment of parent councils; a program for innovative approaches to discipline--related to an order requiring that efforts be taken to alleviate high suspension and expulsion rates in specific schools; a tutoring program--required to assist students in the district's academic challenge high schools. Current programs also include a safety and security program, which provides security aides and an educational enrichment program.

Transportation

Riverton began transporting students for school desegregation prior to the implementation of the RPRRI through MOP and OEPR. With the implementation of the RPRRI, the number of students being bused increased substantially. Their transportation department was expanded at that time and has grown considerably over the past five years. Transportation is now included under the office of desegregation. This office was established by a court order and has the responsibility for monitoring and effectively implementing the student reassignment plan.

Transportation costs related to school desegregation are borne by local and state resources. Under state statutes, the state may reimburse a district on a pro-rata basis up to 100% of the cost of any student transportation done for the purpose of racial balance based on the legislature's appropriation. The state considers that transportation is being done for desegregation purposes if it satisfies one of the following criteria:

(1) Transportation to magnet schools

(2) Transportation of a white student from a predominantly white school to a predominantly black school or integrated school

(3) Transportation of a black student from a predominantly black school to a predominantly white or integrated school

These costs are specified as specifically related to desegregation. There may be other desegregation-related costs that arise from transportation that does not fall under one of these categories (e.g., busing of children to schools that do not meet racial balance criteria, busing of children short distances for safety reasons, use of mass transit, and transportation to educational centers). Currently, it is estimated that desegregation busing constitutes roughly 83% of the district's total transportation. However, because of low legislative appropriations, Riverton actually receives about 55¢ on the dollar.

There is little evidence that financial considerations were a major factor in the design of Riverton's transportation programs. State funds are used as an incentive for metropolitan integration. However, the interdistrict monies benefit the receiving districts, which are overwhelmingly suburban communities that take black children from Riverton.

There is no evidence that Riverton school officials attempted to assign students to integrated schools within the district so as to procure state reimbursement prior to the federal court order. (These regulations were officially enacted after the court order implementing the RPRRI was handed down.)

According to Riverton school officials, the transportation routes selected for both the RPRRI and the system-wide plan were dictated by the final plan established by the experts and Masters. According to John Praeger, efforts were made to minimize the time and distance for busing and, although these may have had financial consequences, they were not taken for financial reasons. As will be recalled, the costs attributed to transportation ballooned during the implementation of both the RPRRI and the system-wide remedy. To some extent, this resulted from the district's lack of experience in dealing with bus contractors. One school official points out that in the early days the district did not even have its own negotiator to bargain for the bus contracts. Rather, this task was assumed by the city's corporation counsel. It wasn't until two or three years down the road that the district retained its own attorney to negotiate with the bus companies.

Riverton has had three different types of contracts with various bus companies. Under one arrangement, the district leases a number of buses from a company at an hourly rate. Under another arrangement, the district pays another company a certain percentage over their costs. Finally, Riverton has an arrangement with the mass transit system in which it purchases a number of bus tickets for some of its students. (This practice had been in effect prior to desegregation.)

Generally, their arrangements with private contractors have not been happy ones for the district. One official believes that their agreements with bus companies left the district pretty much at the mercy of those companies. He notes how on one occasion a company asked for an adjustment in their contract on the grounds that they were going to go bankrupt. The school system, faced with this possibility, and aware that failure to provide the transportation would result in a disruption of services in violation of the court order, went along with the adjustment. According to school officials, the district and the transportation companies also have differing agendas. The district is concerned about providing services. The transportation companies are concerned about profits and will often sacrifice the services in

order to maximize profits.

Currently, school officials are developing transportation programs with budgetary considerations in mind. A plan has been developed whereby Riverton purchases their own buses and uses outside carriers to supply drivers to drive routes developed by the school department. It is believed that the interest rates at which the school department could obtain vehicles would be less than those available to private corporations, thus resulting in some savings. Although this plan may provide certain long-term benefits, the allocations required for new buses have exacerbated the district's current budgetary problems.

The current plan for the district's purchasing its own buses and having the companies supply the labor may be seen as a way of coping with another financial problem indirectly related to desegregation. This pertains to the unionization of workers hired to carry out parts of the desegregation plan. By contracting out the busing, the Riverton School Department did not have to deal with a bus drivers union (though they certainly may have picked up the costs for their pay increases indirectly). Bus monitors and transitional aides are now unionized and have collective bargaining rights.

Budget officers have complained about increasing obligations that result from contracts with various unions. One Riverton school official was "frosted" about the unionization of the transitional aides and bus monitors, whom he regards as "piece workers." The current decision to buy the buses, but not the labor, may be seen as one way in which budgetary constraints are now becoming relevant to the implementation of the desegregation plan. Budget officers oppose the idea that the district should run its own transportation system because of the costs associated with collective bargaining. People in the transportation department wanted to alleviate the difficulties and what they saw as excessive costs of dealing with the bus companies and their inability to provide high quality services. The current plan may be seen as a compromise measure.

Transportation is indicative of the general pattern of budgeting for desegregation in Riverton. Initially, they spent what they thought was necessary in order to accomplish the tasks they thought were required. As time passed, they found ways to economize. The mechanics of pick-up and delivery improved with time. Repeat trips and staggered hours were used to eliminate buses. When the kindergartens were desegregated (some time after the upper grades) transportation for kindergarten was on a door-to-door basis. Currently, pick-up and drop-off stops are used for kindergarten students.

Office of Desegregation

Transportation is one component of the desegregation plan that has occasioned a variety of new expenditures that have now become integral aspects of the school department. The most obvious of these is the office of desegregation. This office prepares school assignments and bus routes.

The desegregation office is composed of four interrelated units. The student unit is responsible for student assignments. This entails the development of the so-called space matrix--a document that shows the available space in different schools. The student assignment unit continuously monitors and updates the assignment policies in terms of which police-blocks are assigned to schools in order to assure continuing student desegregation. The second unit is the records management unit. This unit is made necessary by the complexity of the assignment process. Efforts are made not to shift kids two years in a row. There also are provisions by which a student can transfer to a school if a sibling attends that school. The records management department keeps all this information on individual students as well as special considerations such as bilingual needs or special education. Third, there is the transportation unit. This department oversees transportation for desegregation, magnet programs and vocational education. Finally, there is the external liaison unit. This unit has had a number of directors over the past years. According to one Riverton official, some of its functions are currently being overlapped by a newly formed district-wide office for community and public affairs.

The office of desegregation has been increasingly rationalized over the years. Computer facilities have provided quicker and more complete data processing. As a result of a court order, the office of desegregation has priority with respect to computer access. However, the computer has been used to facilitate other management and technological innovations--most notably, the new budgetary system.

Safety and Security

Safety and security has been funded through a combination of federal, state and local resources. Currently, part of the special projects component of the district's ESAA allocation is for safety and security. This component was added after the eruption of tension in the schools during the past year. Funds were transferred from a reading program to safety and security. During the early days of desegregation, federal security forces such as Marshalls were used in Riverton and HEW's Community Relations Service also was active. These costs never were shown in the Riverton school budget.

The state also had certain costs with respect to safety and security that were never shown in the Riverton school budget. State troopers and guardsmen assisted local police in maintaining security.

The bulk of the security costs were carried by Riverton city which supplied most of the police necessary to protect bus routes and schools. During the first year of desegregation these costs were estimated to cost $10 million. However, some question has been raised about the city's practice of paying police overtime for school duty; the feeling among some being that this artificially increased the cost of security. According to these sources the police costs could have been reduced had school duty been treated as regular duty rather than overtime. One Riverton school official, however, asserts that the police more than deserved whatever overtime they received.

Finally, the Riverton School District has its own safety and security department. Though some school officials admit that this department grew out of the desegregation effort, others claim that such a department would have become necessary regardless of whether or not desegregation had taken place.

Transitional Aides

The transitional aide program fits somewhere between safety and security and community-school relations. Transitional aides are "neighborhood people" who assist at new schools to which children from their neighborhood may be reassigned. Many observers as well as school officials have noted that the transitional aide program provided considerable patronage jobs to be distributed by Riverton politicians. The number of transitional aides has been reduced substantially since the "early days."

The transitional aide program illustrates how the learning process that came with desegregation allowed the district to budget more prudently. Originally, over 1,000 transitional aides were hired. The next year this number was cut in half and in subsequent years has been reduced even further. However, they are now recognized by the Riverton Teachers Union and have collective bargaining rights.

Community-School Relations

Riverton's desegregation plan entails a complex network of parent councils. These councils were ordered by the court as part of the system-wide remedy plan.

The councils are organized in a hierarchical manner beginning with the individual school. Black and white parent represen-

tatives are elected at each school. In those cases where the school population has a large number of Hispanic students, they will also be guaranteed representation. Members of the school level council then elect certain parents from among their ranks to be members of the district council. Teachers and students also are represented on the district-wide councils as are representatives of the institutional linkages. Members of the school level councils also elect a city-wide council. This council is composed entirely of parents and was to be concerned primarily with the resolution of whatever racial problems might arise.

The plan had included a city-wide monitoring council that had representatives from these parent councils as well as members appointed by the court. These people tended to be influential members in the community at large or important figures on a neighborhood level. The council also had teacher and student representation. Its purpose was described in the following terms:

> The monitoring council will foster public awareness of and involvement in the process of implementation of the Court's desegregation orders. It will be the primary body monitoring implementation on behalf of the Court. It will, in this connection, file monthly reports with the parties and the Court covering its activities. It will attempt to avoid the difficulties caused by lack of preparation and community education associated with the plan currently in effect. It will work to develop the institutional linkages with the Riverton schools. The monitoring council will attempt to identify and resolve problems by mediation and conciliation. In its actions, it will act with awareness of the needs of non-English speaking groups and communities in the city. It may bring unresolved problems to the attention of the parties, the Court or other appropriate persons. It may communicate and publicize its views and recommendations to the public, the parties and the Court. The monitoring council will not co-manage or make policy for the schools. Neither will it assume responsibility of the Board, School Department and other defendants to carry out the Court's orders (order).

The most expensive components of the community relations network were the monitoring council and the city-wide parents council which was given a small staff. The school system paid for the monitoring council until it was disbanded some four years after the order was put into effect. ESAA originally paid for the parent council. However, after it was learned that the council had been ordered by the court, HEW refused to continue the funding. According to one Riverton official,

Judge Weinberg called HEW representatives into court to explain why programs included in his orders were ineligible for funding. According to this official, this encounter is part of the reason for ESAA changing its policy with respect to funding court-mandated programs. Although one anti-busing board member proposed that the council's budget should be cut to ease the current deficit, the council's budget has been maintained with local funds and some ESAA support this year.

Federal and state resources are used for school-community relations in other ways as well. State monies are now being used to attempt to attract students back to the public schools and to orient new students to the school system. ESAA funds are used for the following purposes:

The training of parent and student members of the court-established councils

Translation services

Publication and distribution of parent newsletter

Mileage reimbursement for parents attending meetings

Extra-curricular activities

Faculty and Administrative Desegregation and Affirmative Action

The desegregation plan approved by the court contained a component for desegregating administrative and faculty personnel. Later, the court required an affirmative action plan for both the teachers and administrators. This was based on the court's finding that the school department had discriminated against black applicants for teaching positions and that administrators overwhelmingly were drawn from the ranks of the teaching staff. For these reasons, the court ordered that all new positions be filled on a one for one basis until blacks comprised specific percentages of all teachers and administrators.

School officials do not see any major budgetary impacts from affirmative action or teacher desegregation. One interesting congruence needs to be pointed out. As will be recalled, the court order required the redrawing of district lines. This resulted in an increase in the number of sub-districts. The order also required area superintendents for each of the new districts, thereby causing a small increase in the number of administrators required. More importantly, as part of its school equalization component, the order also required that each building have a principal on site. This also helped to make room for more administrators. It also needs to be remembered that the judge required certain educational programs that necessitated

increased personnel. This needs to be taken in the context of budgetary overruns and efforts to reform what was often considered to be a school department top-heavy with administrators.

Although the affirmative action component of the remedy plan was not driven by budgetary considerations, it did have certain budgetary implications. First, it was necessary to initiate a recruitment drive for black teachers and administrators. An initial investment of between $200,000 to $300,000 was allocated for this. However, since the district has met the court-ordered guidelines in these areas, this outlay is no longer necessary.

Secondly, the faculty desegregation and hiring order have also been related to school closing decisions and teacher consolidation. At one time, efforts to reduce teaching staff were halted because the Riverton School District had not considered the implication of this for the court orders concerning minority hiring. Also, certain parties have criticized school closing plans for similar reasons.

Thirdly, in part as a result of the court order, the district has established an affirmative action office which now monitors compliance with court orders. The initiative for this effort came from a particularly liberal school board member. This office, in collaboration with the superintendent's office, also initiates plans for further staff desegregation and affirmative action. For example, an effort is currently under way to develop an affirmative action plan for classified personnel. The affirmative action office was the department of implementation.

Fourthly, affirmative action requirements may, in the future, conflict with the board's efforts to reduce staff. A staff reduction policy based on a "last hired, first fired" principle would result in the firing of a disproportionately large number of recently hired black teachers and administrators. This policy, to the extent that it reduced the proportion of black teachers and administrators below court established levels, would conflict with previous court orders as well as what one official calls "moral and legal obligations" in this area. Other policies on the other hand, could conflict with union regulations and collective bargaining agreements. The necessity to fulfill affirmative action requirements could thus mitigate against the realization of savings through staff reductions.

IV. CONCLUDING OBSERVATIONS

A number of observations can be made concerning the processes of budgeting for desegregation in Riverton. First, it is apparent that there was no real effort to budget or systematically plan for the initial implementation of desegregation. The board was overtly hostile to "forced busing." One board member publicly

expressed the view that costly desegregation expenditures could be used to inhibit the implementation of the plan. The state and court-appointed officials under whose auspices plans ultimately were developed did not consider financial concerns to be an important factor and candidly admit their lack of budgetary experience. The judge, on the other hand, was concerned that "costs" were being used to subvert the implementation of the plan and interceded on behalf of school officials who were concerned that withholding funds would delay planning activities and thus result in implementation difficulties. This helped create an attitude among school officials that revenues could be secured if specific items could be treated as desegregation-related.

The early stages of desegregation planning and implementation were pervaded by conflict and confusion. The question of desegregation costs became part and parcel of these conflicts. This tended to cloud rather than clarify important factual issues concerning costs. Beyond this, it is questionable that the school bureaucracy had the administrative capabilities to produce coherent financial information concerning desegregation costs even if key political actors truly wanted it. Indeed, one Riverton official still complains that the budgetary system, even after reform, cannot produce financial information on a program basis. This has become an especially important problem for Mr. Barker who, in developing a long-term facilities plan, must juggle simultaneously the three concerns of educational programming, desegregation, and fiscal responsibility.

Secondly, it is apparent that this initial lack of budgeting, and planning in general, has retarded efforts to increase efficiency. This is most evident in the area of transportation, where the school department became locked into a number of contractual arrangements that were not always beneficial to the district. Also, the requirements of auxiliary transportation personnel (e.g., transitional aides and bus monitors) resulted in new unions and an additional category of expenses.

More importantly, though, the transportation plan implemented to facilitate the RPRRI and the system-wide remedy was, according to school officials, based on an approach which constrains their current efforts to ensure continued desegregation, maintain school system stability and achieve the fiscally responsible and court-ordered goals of reducing excess capacity in the Riverton Public Schools. In this sense desegregation, or rather the confusion that characterized the early planning activities, has locked the system into a plan that at least has impeded current efforts to save money. This results as much from the board's intransigent opposition to busing and the lack of a sound informational base and processing system in the school department as it does from the actual plan developed by state and court officials.

This reflects the two countervailing thrusts of desegregation in Riverton. In the initial implementation periods, desegregation, coupled with the intense conflict and lack of budgetary sophistication, introduced a certain degree of wildness into school department planning and budgeting activities. Almost simultaneously though, it highlighted the lack of sophistication in the school department's planning and budgeting activities, and stimulated a new board to take efforts to reform this. Ironically, at the same time that desegregation was calling attention to some of the system's problems, it was creating new problems itself.

Thirdly, the question of desegregation costs was, and continues to be, a highly political matter, although the politics of this matter have changed over time. In the initial stages of the system-wide remedy planning and implementation process costs were inflated to serve particular political purposes. The school board used desegregation to explain its ballooning budget. The mayor, who argued at one point that the board's desegregation estimates were inflated, came to argue that desegregation was the primary culprit in the city's financial difficulties. Currently, the desegregation budget serves other political purposes—specifically, it is used as leverage by the school department to get the court to limit its involvement in what school officials consider to be "education" concerns.

This difficulty reflects a fourth characteristic of desegregation in Riverton that has budgetary implications. Desegregation-related concerns pervade the Riverton Public Schools. This is partly the result of the scope of the violation. Not only were students assigned to schools on a discriminatory basis, but there was also discrimination in the location of new schools and in faculty and administrator hiring. The scope of the violation in itself could require substantial court involvement. But, this is only half the story. Because of the board's unwillingness to take steps to implement desegregation, the court had to step into a number of different school department operations. In this regard there are specific court orders concerned with such things as safety and security, community relations, educational programs, tutorial programs, innovative approaches to discipline, school repairs and renovations. These actions have had very definite financial consequences.

In sum, desegregation is costly in Riverton. It is costly not only because the components of desegregation programs can be costly, but because there was a lack of budgeting and planning in the initial stages of remedy plan development and implementation. This lack of planning results from the following factors: (1) the lack of administrative capabilities in the school department; (2) the intransigence of the board and the resulting fact that desegregation plans were developed outside of any budgetary context; (3) the confusion in the legal and political milieu with respect to desegregation costs; (4) the political salience of

desegregation and the usefulness of desegregation costs as a symbolic weapon in a variety of political wars. The lesson of Riverton may read as follows: Desegregation costs, but conflict can be even more expensive.

THORNTON

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THORNTON

Early in 1976, following a long trial, U.S. District Court Judge Nathan Green found that Thornton school officials, Thornton city officials, and state officials had unlawfully discriminated against black students. The school board then devised and successfully implemented a two-phase ("Phase A" and "Phase B") desegregation plan. The plan involved the establishment of magnet schools, a minority-to-majority transfer plan, school closings, and rezoning. Under the plan all of the city's racially-identifiable high schools and its white elementary schools became integrated. More than a dozen elementary schools remained all-black, but students assigned to these schools were eligible to participate in the voluntary transfer program. White flight was negligible.

Major financial difficulties accompanied implementation of the Phase A and Phase B plans. In 1978-79 these difficulties were so severe that the plaintiffs and school defendants forged a temporary coalition aimed at persuading the court to order the city to provide additional funds for the schools. The court eventually did so, but city officials asserted that the order would require severe cutbacks in fire and police protection. Judge Green thereupon stayed his own order. As school officials struggled to complete the 1978-79 school year they undoubtedly entertained hopes that the following year would not be so difficult, and that the desegregation initiatives of the previous two years could be consolidated. But it was not to be so.

Just as the 1978-79 school year ended Judge Green issued an order which the school board characterized as a "shocker" and a "bombshell." The court-approved two-phase plan then in place, Green announced, was only a "partial remedy." Recent Supreme Court doctrine had made it clear that a "systemwide" remedy was needed. The continued existence of all-black elementary schools was not justified. A "Phase C" plan for eliminating these vestiges of past violations was to be proposed to the court within five months.

The desegregation planning team which had developed the previous phases went back to work. Drawing upon the experience of the previous years, the planners devised a proposal which went to the court late in the fall. However the plaintiffs deemed the proposal inadequate. Hearings were set. These dragged on through the winter and spring, interspersed with unsuccessful efforts to negotiate a settlement of the issues. No settlement emerged, and so early in the summer of 1980 Judge Green approved most of the board's Phase C proposals, adding some additional steps which included the development of still further plans. Evidently there would be a Phase D.

Our field work in Thornton occurred during the 1979-80 school year, while Thornton school officials were continuing to operate their Phase B plan and simultaneously designing and preparing to implement a Phase C plan. Thus we were able to examine both the design process (Phase C) and the implementation process (Phase B). Thornton school officials, proud of their accomplishments under Phases A and B, went out of their way to accommodate our inquiries and requests for information and to voice their views of events. Extensive information also was obtained from the plaintiffs. Thus in this report we are able not only to trace both design and implementation activities, but also to characterize these activities from the perspectives of both plaintiffs and school officials. As the latter focused on their accomplishments, so the former focused on tasks not completed. No other site so clearly demonstrated the difficulty of ascertaining any "objective" reality in matters pertaining to desegregation.

The following report is divided into six principal sections. Section I presents essential background information on Thornton. The Phase A plan is summarized in Section II. Implementation of the Phase B plan follows in Section III. Section IV summarizes the design-of-remedy process for Phase C. Initial implementation of the Phase C plan is described in Section V. A final section summarizes and discusses our observations.

I. BACKGROUND

Thornton is an aging industrial city, its core marked by physical deterioration and depopulation. Since the late 1950s the forces of urban disinvestment and suburbanization have been dominant, drawing families, jobs, and wealth to the city's periphery and to the suburbs. Today the city remains predominantly-white, but it contains a disproportionate share of the area's poor and minority families. In the public schools, where enrollment has dropped by one-third from its post-war peak, black and white enrollments are about evenly balanced. There is a small but growing Hispanic group enrolled in the schools, along with an even smaller group of native Americans.

During the 1970s, when school segregation litigation was proceeding, the Thornton city government simultaneously was experiencing severe fiscal woes. The local tax base was eroded by factory shutdowns, residential abandonment, and a decline in the number of taxable persons and transactions. At the same time there were urgent demands for expanded services, for modernization of the capital facilities required to induce urban reinvestment, and for improved wages for militant municipal workers. The city government seemed unable to pull together a long-range financial strategy. By the mid-1970s budget deficits had accumulated. Just as desegregation commenced the city's financial rating was reduced, further restricting the city's capacity to provide funds, and also

precipitating curtailments in spending.

The financial condition of the Thornton Public School District (TPSD) is closely tied to that of the city, for the district is fiscally dependent. That is, even though the school board is popularly elected, it has no independent taxing powers. The district's annual operating revenues must be appropriated by the mayor and the board of aldermen. Capital funds for school purposes are provided through the city's regular capital funds budget. The only important source of revenues which the school board can directly tap is the federal government. Thus the TPSD's financial fortunes are closely tied to its leaders' political acumen vis-a-vis city officials, and to staff members' success in mobilizing federal grants.

Budgets and Budgeting

There are three major budgets. The operating budget, which reflects 80-90% of the district's actual annual expenditures, provides for teacher salaries, administration, supplies, maintenance, transportation, and support staff. Revenues for this budget are derived primarily from state school aid, earmarked local revenues such as sales taxes, and the local real property levy which is set by city officials. The capital budget, which provides for new construction and major renovations, is included within the city's overall capital budget (which is quite small, given the city's difficulties in financing bonds). A grants budget is a set of separately-administered budgets reflecting a multitude of federal financial assistance programs in areas such as bilingual education, compensatory education, and desegregation assistance.

The Operating Budget

Responsibility for the preparation of the annual operating budget is vested in the TPSD's budget director, who reports directly to the superintendent. A quiet and dignified man with a substantial reputation for integrity and fairness, the budget director oversees a budget which now exceeds $100 million. Reporting to the budget director are the heads of the departments of accounting, auditing, budget, data processing, food services, payroll, and other miscellaneous folks who seem not to fit elsewhere in the organizational hierarchy (e.g., "mail," "duplicating").

Modern management techniques have not yet had a substantial impact on budgetary matters. In recent years the district's outside auditors have been urging school officials to undertake comprehensive cost evaluations of the entire school system, to bring various financial reports into alignment with each other, to make better use of data processing capabilities, to expand the scope of the audit department, and particularly to develop an

operations manual in which responsibilities and procedures would be reduced to written form (outside auditor, "letter of recommendations").

If the budget process has not been highly rationalized, it at least occurs in a fairly predictable fashion. Each fall division heads are asked to submit their budget requests for the next year. Evidently the requests are prepared incrementally, i.e., next year's request is based on this year's appropriation, with adjustments to reflect any known changes such as enrollment declines, new statutory mandates, and inflation adjustments. The format of the budget explicitly encourages year-to-year comparisons by showing, side by side, previous year expenditures, current year appropriations, and subsequent year requests.

Departmental requests are compiled and adjusted in the budget director's office. Revenue estimates also are developed there. In mid-winter a proposed budget is presented to the board of education. After board consideration, adjustment, and approval, the proposed operating budget is sent to city hall. There it is consolidated with budget requests from the other city departments (e.g., streets, health, recreation). By early spring the mayor makes budget recommendations to the board of aldermen, which then holds hearings. By June 1 a budget is approved, and by July 1 TPSD officials must adopt a budget based on the amount of their appropriation from the city.

The entire process is highly politicized. In preparing their budget school officials attempt to both anticipate and shape city officials' expectations. The mayor is assiduously courted, for his budget recommendations are deemed crucial. The courting is complex: an invitation to appear onstage at the mayor's alma mater—alongside Jesse Jackson; encouragement to parents to testify in favor of the school budget during budget hearing sessions; public assurances that "fixed assignments" and "forced busing" will not be utilized even in the face of Judge Green's Phase C order. Negotiations with school employee's organizations are orchestrated in terms of their significance for settlements with other municipal employees. Controversial issues such as school closings are handled in ways designed to minimize political fallout aimed at aldermen and the mayor, i.e., to keep those officials from being forced into positions where they would have to oppose school district efforts. We found it interesting to note that top school officials have an informal indicator of their "political success rate." It is the ratio between the city's operating budget <u>appropriation</u>, and the TPSD's operating budget <u>request</u>. Recently that ratio has ranged between 92% (a bad year) and 98% (a very good year). While the range seems small, each percentage point represents more than $1,000,000, i.e., about 70 teacher positions—enough to staff a large high school, or several elementary schools.

The mayor and the board of aldermen, along with the city's

comptroller, have their own political constituencies, agendas, and aspirations. During the period of our study there was frequent bickering on financial matters such as the accuracy of revenue projections, the priorities to be assigned to various enterprises of city government, the adequacy of budgeting practices, the proper description of year-end balances ("surpluses" v. "debt-retirement funds"), and, most particularly, the level at which the local property tax should be set. The latter, of course, is the bottom line. After all the budget requests are totaled up, and after projected state and federal revenues are deducted, the remaining revenue needs have to be provided through the property tax set by city officials. Thus the outcome of the budget process affects not merely the schools and other departments; it also affects every taxpayer and voter.

The budget preparation process is greatly complexified by events which lie beyond the control of school and city officials. Some are in the "accident" category--a severe winter which boosts heating costs, a broken water main which severely damages a school. Others reflect developments in the national economy: inflation-fueled cost increases, unexpected windfalls from investments at high interest rates, declines in sales tax revenues resulting from unemployment. But the most significant and aggravating uncertainties are those which result from the actions of officials in the state capital and in Washington. The legislature and the governor, caught up in their own political milieus, delay their appropriations actions until the last minute, thus requiring municipal officials to conduct their budget reviews without sure knowledge about the level of state aid which can be anticipated. In a city such as Thornton, where more than half of the schools' revenues are derived from state aid, even a minor adjustment in state appropriations can have substantial benefits or costs in terms of school jobs and educational programs. During the period of our observations Thornton's mayor, comptroller, and aldermen made different estimates about the level of the forthcoming state appropriation; eventually a budget was adopted on a "best guess" (and hopeful) basis. That action was followed by a quick trip to the state capital to plead for the necessary special aid appropriation. In the end an additional appropriation was made--large enough to fill most of the revenue expenditure gap, but not all of it. We were unable to ascertain the extent to which the gap represented the hopes and dreams of local officials, and the extent to which it represented absolute necessities. (Similarly we were unable to establish whether highly publicized "cuts" in the TPSD budget represented positions which were newly-created positions which had been budgeted but not filled, and those which previously existed and whose elimination represented an actual reduction in services.)

Additional outside developments which affect local budgeting are almost endless. Congress or the state legislature can enact a new program mandate but fail to provide sufficient funds, thus

requiring allocation of local resources. Congressional or Presidential enthusiasm for budget-cutting can affect revenue projections as well as realized revenue. Then there are judicial bodies. During our study an arbitration award resulting from a labor-management dispute resulted in a charge against the school district budget. Parents were in court seeking additional services in the special education area. The desegregation orders from Judge Green had potentially large financial ramifications.

The budgeting process which we have been describing does not end with the city government's adoption of a school appropriation. Two further developments occur. First, inasmuch as the city can only appropriate a "lump sum" for school operations (i.e., it cannot cut individual lines in the TPSD's proposed budget) the school district, following receipt of its budgetary amount, must rebudget that amount, making whatever adjustments it deems necessary in view of the gap between the requested amount and the appropriated amount. The decision to absorb cuts in teaching staff positions, non-professional positions, pay increases, renovations, staff development, or other areas is the board's prerogative and duty, not the city's. Thus once the size of the fiscal pie gets fixed, it is resliced by school officials and the board of education. A second development may or may not occur. "Supplemental appropriations" sometimes are made by city officials—sometimes as a result of unanticipated general revenues (particularly if earmarked for the schools), sometimes as a result of emergencies, or sometimes to make up for costs imposed by the city itself (e.g., a new employee contract which forces unanticipated costs on the board of education). The possibility of supplementals virtually invites the board to assume the supplicant's posture. Unmet costs and needs are cited whenever the propsect of a supplemental appropriation presents itself.

The uncertainties and the delayed decision timetables which are present in the Thornton School District's fiscal environment create a genuine dilemma. On the one hand, if the district is to seek rationality and efficiency in the employment of staff, the purchase of supplies and equipment, the renovation of facilities, and the negotiation of contracts, it must act long before the operating budget has been set. But such action invites a charge of fiscal irresponsibility—particularly if the action is based on optimistic assumptions about the levels of local, state, or federal aid. On the other hand, if the district waits until its budget is assured, it risks the charge of ineptitude and mismanagement, for hasty or belated decisions about employment, purchasing, transportation routes, renovations, and the like are certain to lead to confusion and criticism when school opens in the fall. In their planning for desegregation school officials both capitalized upon, and suffered from, this dilemma.

The Capital Budget

The capital budget, which provides for items such as new school buildings and major renovations, is incorporated within the city government's overall capital budget. Thus schoolhouse needs must compete with needs for streets, firehouses, bridges, and civic office buildings. In the 1960s, when schoolhouse needs were specifically identified in terms of their utility for reducing racial segregation, city officials decided that those needs fell below the capital spending levels which the city could afford—a decision which later supported the finding of liability against city officials. But by the late 1970s it was not possible to reverse the process and demand new capital facilities—partly because falling school enrollment had produced a surplus of classrooms, and partly because the city's financial condition restricted its access to bond markets. Thus desegregation planning could not be predicated upon the construction of new schools. Nor could major renovations be undertaken on any systematic basis, unless the funds were somehow derived from the district's regular operating budget, or from special grants.

Another consequence of the separate capital accounts is that the TPSD does not own its buildings. If a building is closed, it reverts back to the city, and the school district cannot realize any revenues from the sale or lease of the property. And the city, already a large landlord, is not eager to receive vacated buildings, for it does not have the manpower to manage them. Indeed, during our field work several recently-vacated schools were vandalized and stripped by thieves, at considerable cost to the city. In terms of capital then, there is no great incentive to close school buildings. And of course there is no incentive on political grounds either. However desegregation, as we shall see, provides both a financial and a political motive for proceeding with school closings.

The Grants Budget

Special grants—mostly federal—such as those under the Elementary and Secondary Education Act (ESEA) or the Emergency School Assistance Act (ESAA) are handled outside the regular budgeting and accounting processes of the TPSD. There is a special grants office which is basically unrelated to the budget office; its personnel are highly skilled in locating and mobilizing federal grant funds. Applications are submitted according to schedules set out by the funding agencies rather than in terms of the school board's budget cycle; board review of the proposals appears to be perfunctory at best. The board, its budget officer, and city officials have little input into the federal funds mobilization process. As we shall see however, special grants were a key ingredient of desegregation finance in Thornton.

Budgeting for Desegregation

Our initial interviewee in Thornton was the district's budget director, who explained that there was no "desegregation budget." He doubted that we could profitably study the district, given our professed interest in the financial aspects of urban school desegregation. However our preliminary off-site investigations of Thornton had indicated that desegregation costs had been the subject of intense judicial scrutiny, and that board of education employees frequently reported multi-million dollar "desegregation costs." Evidently somebody was keeping tabs on costs.

The reasons for the apparent anomaly subsequently came into focus. First, the budget director, as the district's principal financial officer, was bound by statute and rule regarding the way in which expenditures and revenues were displayed; the statutes and rules applying to Thornton made no provision for separate identification of desegregation-related items. Second, the "somebody" who prepared desegregation cost figures turned out to be the desegregation planning team, along with the board's legal advisor, i.e., people whose positions lay completely outside the regular budget channels. Third, desegregation finances were attuned to schedules set by the court and by federal funding agencies, not the budgeting schedule set by the district's regular procedures. Fourth, and of greatest significance we think, whereas the court and federal desegregation assistance officials wanted to know the costs of desegregation, locally elected officials did not. Clear identification of desegregation costs could have precipitated disputes at budget review time. These could trap public officials between electoral groups opposed to desegregation, on one hand, and the court on the other. (The court, it will be recalled, already had found city officials guilty in the desegregation case, and hence they were in no position to oppose funding for desegregation.) Thus it made no political sense to tag desegregation expenses in the regular budgeting process.

Although we have no direct evidence of it, we think it likely that similar considerations may lie behind state-level decisions not to disaggregate transportation costs into specific categories, e.g., special education, vocational education, desegregation. If costs for desegregation busing were separately displayed the state, through its transportation reimbursement program, would be in the position of "paying for busing." Thus bookkeeping problems and political problems both are avoided by lumping all transportation costs together. On the other hand, if busing costs are not known or knowable, they cannot readily serve as constraints in the desegregation planning process.

Desegregation

School desegregation emerged as a serious issue in Thornton in the 1960s. Substantial in-migration of black families occurred in the middle third of the century. Most of the newcomers settled in the oldest portion of the city—a fact which the Federal District Court later declared to have resulted, in part, from discriminatory actions by housing officials. Black in-migration coincided with a white exodus to the suburbs. By the early 1970s the school population was over 40% black.

In the 1960s, advocates of integration proposed a number of plans for alleviating racial isolation, e.g., a series of large middle schools to be built at sites where integration could be achieved naturally, a rezoning plan which would have fostered desegregation, a program of voluntary transfers from inner city schools to peripheral schools, and a shuffling of the grade-level structure. But opposition and inaction by the school board and the city government nullified these plans, and minority racial isolation steadily increased. The state's commissioner of education ordered action to reduce racial isolation in Thornton's schools, but failed to achieve compliance with the orders.

A group of plaintiffs finally brought suit in federal court. The plaintiffs asserted that school officials, city officials, and state officials had discriminated against and failed to secure the rights of black students attending the Thornton schools. Specific violations were said to have occurred in school officials' manipulations of school attendance boundaries, transfer policies and practices, use of optional attendance areas, selective use of the neighborhood school concept, and inaction in the face of demonstrably segregative actions. City officials, it was charged, had obstructed a school construction program which would have alleviated racial isolation. Housing officials also were alleged to be culpable. And state officials had acted feebly in the face of complaints about racial segregation in the Thornton schools.

After a prolonged trial, Federal District Court Judge Green found for the plaintiffs. The court acknowledged the presence of some integration efforts—particularly the Voluntary Integrated Education Program (VIEP) in which more than 2,000 inner city youngsters voluntarily transferred to outlying predominantly-white schools—but concluded that such efforts were more than balanced by actions which contributed to racial isolation in the schools. In his liability finding, Judge Green set forth a number of specific violations which he had found. He particularly focused on two high schools, several junior high schools, and a number of elementary schools. Citing Keyes, Judge Green held that "a substantial and meaningful portion of the school district has been intentionally segregated"; therefore it was not necessary for the plaintiffs to show particular violations in every segregated school.

In his liability finding, Judge Green separated issues of liability and remedy. The latter, he said, were not yet before the court. They would be treated subsequently. With the court's finding of liability however, the question of remedy became paramount. The court provided little guidance other than to note that "the court is not, and does not want to be, a school administrator"; the task of devising a remedy lay with the defendants and would be assumed by the court only in the event that the defendants defaulted. Nothing was said about the nature of the remedial obligations which the liability finding placed upon city or state officials. The court also was silent with respect to two crucial remedial questions: (1) must a plan eliminate, within the limits of practicality, all of the school system's racially-identifiable schools? and (2) what black-white ratio constituted "desegregation"? On these points the plaintiffs and defendants profoundly disagreed, and their disagreement directly affected their approach to remedial questions. The constitutional mandate was unclear; indeed at that time the Columbus and Dayton cases were headed toward the Supreme Court. But the Supreme Court would not dispose of the questions until long after Thornton began the desegregation process.

II. PHASE A

The district court's liability finding was announced late in the 1975-76 school year. The school board was not entirely unprepared for it, for a lawyer who was a member of the board had anticipated the ruling. The board's response was outwardly calm. The board would abide by the law, even though the ruling might be appealed. At the staff level too, there was some coaching. The director of a desegregation assistance center met with key staff members, helping them to understand the magnitude and types of problems that would accompany desegregation planning.

Judge Green asked that remedial plans be submitted just a few weeks after announcing his liability finding. Both the plaintiffs and the defendants submitted proposals to the court. The plaintiffs' plan, drawn up by an out-of-state consultant, had a single goal: prompt achievement of systemwide racial balance. The plan used zoning and clustering and pairing techniques which would have desegregated all the schools in Thornton. The defendants' proposal, concededly incomplete, was grandly labeled "The Thornton Plan." (The plaintiffs dubbed it a "School Closing Plan" and promptly asked the court to forbid implementation.) The defendants proposed to close ten schools and reassign their students. In addition four schools were to be designated as citywide "magnet" schools.

Judge Green noted the differing orientations of the plaintiffs' and the defendants' plans. Following hearings he said:

> To summarize briefly the plans submitted to the Court, the defendants' plan falls short of a true integration effort and the plaintiffs' plan, while setting forth a comprehensive and theoretically ideal arithmetic solution for the complete integration of almost all of the [Thornton] schools, fails to take into account some important practical considerations. One local commentator has aptly described the integration of the (TPSD) as follows: "First, no school integration plan is going to work unless it has the long range support of the community. It has to be something all of the citizens of the city, black and white, can live with in harmony in the years ahead. Two, the ruling should stay well within the case law established by the United States Supreme Court." There cannot be disagreement with this concept. The Court accepts it and recommends it to all concerned. It must be stressed however, that both points made by the commentator are important. The difficulty thus far in this case is that the defendants for the most part have kept their eye on point one and disregarded point two, and the plaintiffs for the most part have considered point two and ignored point one (transcript, oral proceedings).

Our own inquiries and observations suggest that the limited nature of the board's proposals reflected more than a desire for "harmony." At least three other considerations—legal, technical, and financial—appear to have been operating. On the legal front, Judge Green's liability finding was being appealed, and the possibility of success suggested that there be delay in proceeding toward major school change. Moreover even if the appeal was lost it was not absolutely certain that a remedial plan required system-wide racial balance; in 1976 there was hope that Supreme Court doctrine—not altogether clear at that time—might swing toward limited remedies. Thus, limited remedial action seemed warranted.

The second explanation emphasized the school district's limited capacity to engage in comprehensive desegregation planning. Part of the problem, of course, was that the district's top officials did not <u>want</u> to engage in such planning, given the legal considerations noted above. In addition however, it appears that the necessary time, staff, and information simply were not available. The time interval between the announcement of the liability finding and the opening of school in September was too short to permit development of a plan for a school system involving more than 100 schools and more than 50,000 students. Judge Green took note of the complexities and the need for planning time. In considering what to order in Phase A, he said

> I believe sincerely that if we are to do anything in the educational field, we ought to do it just as well and carefully as possible...We were under a difficult

> and short time span. [If] any of you householders have moved from one apartment or one household to another, then you know the difficulties that are attendant upon that. I think you can appreciate the difficulties that any school department would have in moving a number of students and teachers and all their paraphernalia from one school to another (transcript, oral proceedings).

Beyond the logistics problems there were technical problems. A principal one was that the school did not have the necessary information base for comprehensive planning. In particular, it lacked a pupil locator system which would give planners the opportunity to try out various combinations of enrollment techniques, and to consider their impact on desegregation, travel distance, and school building capacity. The district's pupil record system simply indicated where students attended school; there was no data base describing where they lived. (In ordering implementation of the Phase A plan, Judge Green directed that a pupil locator system be devised.)

A third explanation for the characteristics of the board's Phase A plan emphasizes financial constraints. Shortly after the court's finding of liability against the school board and the city, the latter decided to become more fiscally responsible—a task accomplished, in part, by making a huge slash in the school board's previously-submitted budget request. Thus the school system was faced simultaneously with the problems of desegregation planning and program reduction. As the court was reviewing proposed desegregation plans, school officials were threatening cuts in kindergarten programs, transportation services, pupil personnel services, summer school and adult education programs, maintenance, library services, science and art teachers, capital spending, and extracurricular programs. In this context cost-cutting measures such as school closings made good financial sense. Desegregation provided a pretext for doing the inevitable.

School Closings

When desegregation litigation began in Thornton in the early 1970s the school district operated more than 100 schoolhouses. Many of them were obsolete and unsound structures. This was particularly true in the older portions of the city, where the black student population was concentrated. Throughout the city, but particularly in the blighted core, dwindling school enrollments had produced thousands of empty seats. As these seats increased in number, per student operating costs rose rapidly, for underutilized classrooms still had to be staffed, and underutilized buildings still had to be administered, heated, cleaned, and maintained. The obvious solution to these problems was to close schools.

Desegregation litigation had delayed effective action. After all, school officials were in court ardently defending the neighborhood school concept. Preservation of the neighborhood schools lent credibility to their testimony. Furthermore, if the school system were to close its oldest and most underutilized schoolhouses, they would be closing schools which served predominantly black student populations. Such a course was hardly appropriate in a setting where it was necessary to assert that black and white school patrons were being treated equitably.

The liability finding—particularly in the context of the financial crisis—changed all that. Suddenly it made sense to close schools—particularly if it could be shown that such closings would promote (or at least not adversely affect) racial integration in the remaining schools. Thus the schools proposed for closing were, for the most part, old and/or underutilized buildings. For example a high school proposed for closing (all-black) had been scheduled for closing anyway; its continued operation was due to the city's failure to appropriate funds for a replacement high school. Now, with the closing, a replacement would not be needed at all. Thus the closing averted the need for a major capital expenditure, and simultaneously reduced operating and maintenance costs.

There is no evidence that the court was presented with any substantiation of claims that closings made financial sense. Apparently that seemed self-evident. Indeed, in his order permitting closing of the schools, Judge Green noted that not all of the closings fostered desegregation, but that in the face of needs for cutting costs the closings should proceed anyway. In the future however, he said, the practical effects of financial constraints would have to be more clearly demonstrated to the court.

Interestingly—particularly in view of events in Phases B and C—the defendants do not appear to have paid much attention to the possibility that their Phase A proposal included certain costs. In the case of the closed schools, these pertained primarily to the cost of transporting students from the closed schools. However the magnet schools were another matter.

Magnet Schools

Four citywide magnet schools were proposed by the board. One was to be an Open School, located in a brand new facility which had been built in an area abandoned by whites. An Academic Challenge magnet was to be located in one of the closed elementary schools adjacent to a college campus. One of the city's two all-black high schools was to be converted to a Career Education School. Students formerly attending the high school were to be distributed—some to go to a distant newly-designated high school

which until then had served as a junior high school. Another junior high school (all-black) also was to be converted to a citywide magnet junior high.

From the available record it appears that the cost implications of the board's proposed plan were not carefully projected. High transportation costs would be incurred in connection with the students electing to attend the new magnet schools, but these costs were treated casually. Moreover the magnet schools would be high-cost operations because of their relatively low student-teacher ratios and the need for special equipment and supplies. Renovation expenses also would be incurred. The defendants chose to ignore these financial matters when the magnets were proposed.

At first we anticipated that we would find that the availability of federal funds prompted Thornton officials' interest in magnet schools, for Congress recently had authorized funds for magnet schools. But we were wrong. The impetus evidently came from another quarter. Some of Thornton's newest and finest schoolhouses (including one scheduled to open in the fall of 1976) were located in black neighborhoods—a consequence of the city's past disinclination to build schools at sites where desegregation would be promoted. It made no sense to close these schools. Furthermore they could not be ignored, for some were clear vestiges of past discrimination. Yet there was a desire to avoid forced reassignment of white students to such sites. The magnet option presented itself as a potential solution to the problem. The new schools could be closed as neighborhood schools and then "magnetized." By introducing outstanding programs into these schools, and by recruiting and providing transportation for student volunteers, it was hoped that integration could be achieved. If it could be, it would serve the further purpose of permitting school officials to point toward white busing (to the magnet schools) as a partial reply to charges that the burden of busing fell primarily on black students whose schools were being closed.

Approval and Implementation

Judge Green's assessment of the plaintiffs' proposal was negative. He said that the plan failed to comprehend the "complexities and peculiarities" of Thornton's schools. The plan was based only on "paper knowledge" of school enrollments and capacities. It failed to take into account staff and parent and community views, and it neglected information about such matters as the availability of lunchrooms, gymnasiums, and other special facilities. Thus, while the plaintiffs' plan demonstrated that desegregation was possible, the plan was rejected because of its "skimpy" information base (transcript of proceedings).

The defendants' plan, on the other hand, did not accomplish much desegregation. But the summer was half gone, and the proposed

closings at least made financial sense. Judge Green therefore did what he would do on many subsequent occasions: he authorized the defendants to proceed with most of the elements of their proposed plan. The proposed closings were approved. Two of the magnet programs also were approved--including one in a brand-new school. But the other two were disapproved, inasmuch as they displaced black students without demonstrable desegregative effects. The court ordered that a "Phase B" plan be presented to the court after the school year commenced; Phase B was to be implemented the following year.

The court-approved portions of the Phase A plan were implemented without major difficulty. Schools were closed as scheduled. The closings necessitated a considerable increase in transportation costs (which would not be reimbursed by the state until the following year); however these costs were covered by a supplemental appropriation from the city. A problem did develop with the magnet schools: enrollments by whites were less than expected. School officials asserted that this problem would be alleviated with better recruitment techniques. ESAA funds amounting to $1.5 million were received; these funds were used to provide supplemental services (e.g., teacher aides) in schools which were desegregated.

The most memorable portion of the year, officials now recall, was a nasty and prolonged teacher strike. The strike, occasioned in part by the cuts in the school district's budget, had the ironic effect of disguising a built-in budget deficit inasmuch as (a) teachers were not paid for the days they did not work, and (b) fines were collected from the striking teachers. These conditions would not recur in Phase B.

Another lasting impression was created by events outside Thornton. As Phase A was implemented in Thornton, desegregation in other major cities was accompanied by extensive violence and resistance by whites who were objecting to forced reassignment of white children. Thornton officials, already predisposed to avoid forced reassignments of white students in Thornton, were strengthened in their resolve. Phase B would have to stress voluntarism, at least for whites.

III. PHASE B

Following his approval of the Phase A plan, Judge Green directed school officials to prepare a Phase B plan for implementation in 1977-78. The proposed plan was to be submitted in December. Each school, said the court, was to reflect "as far as possible" the racial balance of the system as a whole. Any exceptions due to "practicalities" would have to be based on satisfactory proof to the court, not mere opinion. That is, the burden was on the defendants to prove the necessity of preserving any racially

identifiable schools. Nonetheless the board was to have flexibility. The use of magnet schools was specifically encouraged by the judge. Open enrollment policies could be continued to the extent that they fostered integration. The transportation burden was to be equitable, although the court acknowledged that "many of the older schools are located in minority school areas and considerations of economy may dictate that these are the most likely schools to be closed." Staff integration was to be accomplished, community input was to be solicited, a pupil locator system was to be devised, and an implementation schedule was to be prepared. The city and state co-defendants were directed to assist school district planners. Ending his order, Judge Green invoked Ulysses' exhortation: "Come my friends, 'tis not too late to seek a new world." (transcript of district court proceedings) The court's directions served, of course, as a first point of orientation for the Phase E planning process.

A second factor influencing the planning process was the planning team which was assembled to devise a response to the court's order. Heading the team was Arthur Romero, a veteran administrator and the TPSD's director of instructional services. Romero's character and style and interests were to have a profound effect upon the desegregation plan. Romero had an extraordinary capacity for retaining detailed information about the school system and its personnel; probably he is the only person in Thornton who completely understands the desegregation plan. Significantly, Romero saw desegregation as an opportunity to work toward renewal of the instructional program in Thornton. To him that goal was inseparable from the goal of eliminating racial isolation. To seek racial balance alone was to be "arithmetic" and "conservative" and ultimately counterproductive; desegregation could only be accomplished by stemming the long-established outflow of white students and by re-attracting white families whose students were enrolled in the "competing" systems of Thornton's suburbs and its private and parochial schools. A simple student reassignment system would not accomplish this; indeed it would make things worse. The only way to go, for Romero, was through a school improvement approach.

School improvement required <u>ideas</u>, <u>change</u>, and <u>de-standardization</u> of the school system. Ideas were solicited through a national network of contacts (access to which was greatly facilitated by one of the nation's regional general assistance centers), through such seemingly mundane activities as reading the Yellow Pages ("to see what our competitors in the private sector are doing"), and through Romero's own reading and thinking. To illustrate the point: as we interviewed him one day, in the midst of several crises and interruptions, he enthusiastically digressed into a description of a new development in instructional technology which, he believed, could be used to raise standards in Thornton's schools by permitting Thornton's school staff to measure their performance against that of outlying schools by

engaging in electronically-based friendly competitions. The notion had little direct relevance to the constitutional mandate underlying Judge Green's orders. But Romero saw the idea as having potential for kids, and to him desegregation provided an opportunity for realizing such potential. Change could be obtained through staff development activities, provided sufficient funds could be obtained. And de-standardization simply required discarding the notion that every school must offer the same program—a notion fostered by the old neighborhood school strategy. Evidently Romero viewed desegregation as an opportunity to escape from the standardization which had characterized schools in Thornton for decades. Romero's strategy for desegregation centered on the creation of some excellent schools in Thornton.

Assisting Romero were four administrators on temporary assignment. On their shoulders fell the task of coping with another determinant of the planning process. They had to find and manipulate the facts and figures which would show the ramifications of various desegregation strategies. Information is the nuts-and-bolts of desegregation planning. At first glance it seems that the necessary information should not be hard to obtain. For example it is necessary to know each student's address, grade-level, and race. Simple. However in Thornton 7,000-10,000 students changed their address each year. Prior to desegregation there was no need for a centralized and computerized pupil locator system which kept track of children. Each student's file simply followed the student from school to school. Information on students was needed only at the building level, and that is where it was. But desegregation planners need such information. They need it in a form that disaggregates the city down to the block level, if possible, and certainly down to the elementary school attendance area level. The information needs to be current as to grade-level and race of the students. Such information simply did not exist in Thornton in a manner which fostered ready use by the planning team. Other crucial information also was hard to come by, e.g., school building capacity figures, condition of school buildings, accessibility of buildings to traffic arteries, adaptability of facilities to new needs, operating costs for utilities, neighborhood population trends. The plaintiffs in the case regularly charged the school defendants with withholding this crucial information; our own view is that the information scarcely existed, and virtually never existed in the form the plaintiffs wanted it. Some of it existed in the planners' heads—which gave them a great advantage in adversarial proceedings where the judge already had shown that he thought that the plaintiffs' proposals were insufficiently grounded in information. (We surmise that the defendants' tardiness in developing a pupil locator system, despite regular demands for it from Judge Green, may have been motivated in part by the disadvantages which the plaintiffs endured in the absence of such a system. Indeed, in later stages of the litigation, as information became more generally available, the plaintiffs' attacks on school proposals and procedures became increasingly

based on hard information.) A final bit of information which the planners lacked was information about the costs of various alternatives. At best they had formulas: average busing costs, average teacher salaries, average operating costs as related to building size. But they simply did not have enough information to estimate the costs of a particular building renovation, the costs of a particular transportation scheme, or the short-term and long-term savings which might result from building closings. Thus estimates of the financial ramifications of a desegregation idea necessarily were crude and subject to error.

As it happened however, the political milieu--another crucial determinant of the planning process--was such that costs were not an important component of the desegregation planning team's strategizing. One source put the matter very succinctly: "no cost is too high if it avoids forced busing." Such busing, the press said, was "anathema" in Thornton. The reference, by and large, was to forced busing of white students. Black students whose schools were closed often were reassigned to schools at considerable distance from their homes; that rarely happened to white students. The deference to whites reflected a simple political reality: a large majority of Thornton's voters, a large majority of the school board, a large majority of the city's elected officials, and a large majority of the TPSD's managers were white. True, there were some prominent and very capable black board members, aldermen, and school officials. But to our knowledge none of them stepped forth to challenge the proposition that Thornton's desegregation plan must, at all costs, avoid involuntary reassignment and forced busing of white students. Voluntarism became the planning team's watchword in designing the Phase B plan.

The two key components of the Phase B plan stressed voluntarism. One, called the Voluntary Integrated Education Program (VIEP) actually had been started years earlier in a modest effort to promote desegregation. In VIEP students from predominantly-black schools in the city's core were encouraged to transfer to predominantly-white schools near the city's periphery. Transportation was provided for volunteers. Under the impetus of Judge Green's order the planners proposed to expand VIEP by intensifying recruitment efforts and by assigning black volunteers in such a way as to desegregate the city's all-white elementary schools. The Phase A school closings already had expanded the pool of potential volunteers. Students from the closed all-black schools would have to be bused somewhere; thus they were good prospects for participation in VIEP. What the planners neglected to note (but the plaintiffs did not) was that VIEP set up an insidious process: as black children from the inner city participated in VIEP their "sending" schools suffered from dwindling enrollment, thus making them more vulnerable to closings, whereas the white "receiving" schools to which VIEP students were assigned had their classrooms filled and thus were partially protected from the prospect of school closings. In addition, of course, VIEP

amounted to a one-way busing program--anathema to plaintiffs in desegregation cases.

The second voluntary technique, already successfully implemented in a small way in Phase A, was magnet schools. The magnets were to be located primarily in formerly-black schools, and were to have such first-rate programs that they would attract volunteers from white neighborhoods and students who were enrolled in non-public schools. Proposals for 12 new magnet schools were included in the Phase B plan.

Other ingredients of the plan, as presented to the court, were the following:

--Pairing of two schools

--Conversion of an all-black high school to a Career Education Center

--Staff development and inservice training programs

--Creation of a pupil locator system

--Conversion of a black junior high school to a high school

--Improved and expanded transportation services

Conspicuously absent from the plan--particularly in the eyes of the plaintiffs--was a strategy for dealing with about 15 racially-isolated elementary schools which served half of Thornton's minority elementary pupils. Further aggravating the plaintiffs was the fact that many of the proposed magnet schools had the effect of displacing black students, who sometimes were reassigned to other black schools. While location of the magnet schools in minority neighborhoods might bring white volunteers into those neighborhoods, blacks were being involuntarily displaced. Such considerations led the plaintiffs to introduce their own alternative plan.

The plaintiffs' plan began with an extended critique of the plan devised by Romero for the defendants. The defendants' plan was said to be based on promises, not guarantees. For example, there were no guarantees that the magnets would be integrated, or that VIEP would succeed in eliminating the racially-identifiable white elementary schools. Thus the plan failed to meet a Supreme Court stipulation: a plan must work. Moreover the board's plan was inequitable. Many of the black schools which were closed or converted to magnet uses easily could be desegregated through rezoning and pairing techniques. The plaintiffs' plan then went on to present a detailed description of how these techniques could be used to attain systemwide desegregation. The plan incorporated several of the magnet schools proposed by Romero, supplemented with

stipulations concerning racial balance in enrollment. Additional components proposed by the plaintiffs included a monitoring commission and a network of day care centers.

Financial Underpinnings of the Proposed Plans

Both the plaintiffs' plan and the defendants' plan gave short shrift to financial matters. Neither appears to have been substantially constrained by such matters. Nonetheless it is useful to review such financial considerations as do appear.

The narrative portion of the school board's Phase B proposal does not even mention the financial difficulties which the Thornton District then was experiencing, nor does it give any attention to the costs of the plan. However in an appendix there is a chart which indicates that the cost consequences of the board's proposals had been at least roughly projected. For each of the buildings affected by the plan there was a list of figures showing costs estimated for renovation and construction, transportation, additional faculty, and materials and supplies. Very little detail was provided. For example the Montessori magnet school costs were projected as follows:

> Building costs, $100,000 (carpets, risers, cabinets, plumbing)
> Transportation, $46,500 (175 pupil at $266)
> Faculty, $185,000 (7 teachers, 7 aides, 1 TT)
> Materials, supplies, equipment, books, $50,000
> Total, $382,150

No further information was provided. In some cases the cost estimates appear to be no more than ball-park guesses, as in the case of a high school that was to be relocated at a cost of "$6,000,000." Altogether, the appendix indicated, the Phase B plan would cost $23,000,000—$18,000,000 in building costs, $1,100,000 for transportation, $1,700,000 for new faculty and staff positions in schools, and $305,000 for materials and supplies, $500,000 for staff training and curriculum development, $600,000 for additional security, and $170,000 for a central office integration staff.

It is worth noting that of the $18,000,000 cost projected for construction and renovation, $16,000,000 was for just three schools: a new elementary school to replace an old one, and conversions of two secondary schools to alternate educational uses. Without these three facilities—all of which later were disapproved by the court—the cost of the Phase B plan drops to less than $7,000,000. Apparently then, desegregation was seen as a pretext for accomplishing some much-needed improvements in Thornton's school facilities. Whereas the Phase A proposals had accomplished these improvements by weeding out several old and underutilized buildings, the Phase B strategy was to allocate funds for facility improvements.

Also noticeable was the format of the cost estimates. Little effort was made to disaggregate one-time costs and continuing costs, nor to estimate the construction period for the three large-scale projects. Thus it was not possible to establish, from the figures presented, any sense of the annual costs of implementing the Phase B plan. The primitive format for displaying costs probably reflected the near-total absence of budget-making skills among the desegregation planners—plus their low level of interest in such matters.

There was one exception to the vagueness which characterized cost estimates for proposals included in the board's Phase B plan. The proposal for creation of a pupil locator, which was developed in great detail, included very precise cost estimates totalling $97,000 in the first year and less thereafter. Significantly, this portion of the proposal was not prepared by the desegregation planning team. It was prepared by the budget office. Significant too is the fact that the $97,000 for the pupil locator system was not even included in the total estimate of costs—an omission due to the fact that the proposal was very much a "stuck together" effort of many offices, submitted to the court without any overall integrative review.

One further cost estimate appears in the defendants' plan. An appendix includes an unsubstantiated estimate that the costs of transportation under the plaintiffs' proposed plan (which was not even before the court) would be $4.4 million—or four times higher than the transportation costs projected by the board's plan. The figure appears (to us) to be excessively high, and it fails to take note of the fact that the plaintiffs' plan desegregated the school system completely, whereas the defendants' plan did not.

If the board planners' treatment of costs for the Phase B plan was sketchy, their treatment of revenues was even more so. An appendix lists "anticipated external funding for 1977-78 school year." Oddly, the total amounted to $23,000,000, or very close to the amount which the board projected that its plan would cost. But the external funds were categorical, and bore little relationship to the interior costs of the plan. For example, none of the external funds were for construction or renovation. All were for special programs, e.g., bilingual education, compensatory education (ESEA Title I), and vocational education. However the list did include $5,000,000 in ESAA funds which were to be requested, and two smaller grants for desegregation activities, amounting to $140,000. There is no indication that these anticipated ESAA revenues are related systematically to anticipated costs. Again the overwhelming impression is that the budgeting process was exceedingly primitive—done by amateurs. Whereas a budget normally will attempt to demonstrate a relationship between revenues and expenditures, the figures included in the Phase B plan made no pretense of doing so, except in demonstrating an ultimately irrelevant equivalence between desegregation costs and outside

revenues.

A second indicator of revenue planning is contained in a cryptic memo from the superintendent to the school board. It reports on a conference held with the city's finance director, one day before the plan was submitted to the court. The superintendent had asked the city for $9,000,000 in capital funds, presumably for small-scale renovations and for start-up costs on the three proposed large-scale capital improvement programs. In addition the superintendent had requested a supplemental appropriation to cover the plan's projected transportation costs ($1,100,000). Finally, the superintendent had warned the city that further requests would be forthcoming in the event that ESAA assistance did not materialize. The memo concluded with a report that the city finance director had been less than encouraging: the city was attempting to retire its accumulated operating deficit and hence was not in a position to supplement its appropriation. Moreover the city's bond issue rating had been reduced so low that it was not possible to obtain funds for capital improvements, and recent litigation had precluded the city from raising taxes to secure new revenues. Beyond that, skyrocketing fixed costs (particularly increased social security contributions) were posing a severe strain on the city's already dismal fiscal position. Thus it would not be possible for the city to assist the school board in financing its Phase B plan.

In general then, it appears that the defendants' Phase B plan was not seriously determined by fiscal considerations. The heart of the plan—the magnet schools—are described in glowing detail, but without cost figures. Where cost figures are displayed, they are done so in a manner which suggests that they simply were projected after the plan was set, rather than before hand when cost-effectiveness criteria could have been applied. Revenue projections were not directly tied to cost projections, and where data on revenue possibilities were included, they gave scant reason to believe that the revenues would be forthcoming. Despite all this, the plan was submitted to the court.

The plaintiffs' plan treated costs in an even more cavalier fashion. The plaintiffs' plan, it will be recalled, was essentially a reassignment plan using pairing and rezoning techniques as well as magnet schools. There were no cost projections at all, although the plan noted that the state would provide reimbursement for transportation costs. The plaintiffs also proposed the introduction of some early childhood centers, based on evidence that early intervention was pedagogically effective. The plaintiffs noted that while such "programs have been expensive, the overriding consideration should not be money, but rather educational benefit"—a posture on which the plaintiffs' planners and the defendants' planners evidently concurred. The plaintiffs suggested that the defendants should be obliged to come forth with a realistic plan for financing the desegregation costs. The plaintiffs thought

that "$50,000,000 would seem an appropriate annual amount for the state to provide"—a figure which one of the plaintiffs later candidly admitted was simply "a good round number." Beyond that, the plaintiffs' plan said nothing about cost or revenues.

The Court's Order

While the defendants and the plaintiffs were preparing their Phase B proposals, Judge Green was reconsidering his own liability finding in light of three subsequent Supreme Court decisions which appeared to be relevant (Austin Independent School District v. U.S., Washington v. Davis, and Arlington Heights v. Metropolitan Housing Development Corporation). Judge Green concluded his review in March, reiterated his initial conclusions, and ordered prompt hearings on the Phase B proposals which it had received. Those hearings dragged on into the summer as the relative merits of the two plans were contested. Finally after the strengths and weaknesses of the two Phase B plans had been extensively aired in court, Judge Green issued an order which essentially approved the board's proposals. Eight of the proposed magnet schools were approved, with the added proviso that enrollment was to be racially controlled. The conversion of one of the city's black high schools (to a Career Education Center)—denied when proposed in Phase A but resubmitted by the board in Phase B—also was approved. Two of the most expensive capital expenditure proposals—construction of a new elementary school, and the transfer of one high school to another building which was to be vacated—were denied. Other components, including VIEP, staff development, and affirmative action also were approved. However, recognizing the plaintiffs' contention that the plan left large numbers of minority youngsters in racially isolated elementary schools, Judge Green ordered that continued attention be given to this problem. Evidently there would have to be a Phase C (U.S. District Court, order).

As the summer progressed and the opening of the fall term approached, Thornton school officials encountered two problems. One was that recruitment of white students to some of the magnet schools was lagging—to such an extent that there was doubt that the court would permit their opening under the guise of a desegregation plan. However, a last-minute recruitment drive averted the issue, and the schools opened as magnets as intended, albeit underenrolled in some cases, and highly unbalanced (racially) in others. The second problem was not so readily solved: the school district's projected expenditures were far higher than its projected revenues.

Implementation of Phase B: Budgetary Brinkmanship

The Phase B plan, adopted at the end of Year I of Thornton's desegregation effort, operated for three years. The first year was financially chaotic. The school board, acting on the assumption

that the desegregation proceedings might somehow be used to secure new revenues, adopted a deficit budget. (Desegregation was regularly characterized as the "cause" of the deficit--even though the plan had been designed by the board's own staff and approved by the board itself.) No new funds were forthcoming however, and for a time it appeared that the school system would have to shut down early. A bail-out was not arranged until the last minute. Slightly chastened school officials, insisting that they had done the right thing, in subsequent years were saddled with financial overseers and a debt-repayment schedule. When Phase C was launched, there would be no deficit budget.

The second year of Phase B also was a year of financial crises. At one point they precipitated a court order requiring city officials to underwrite board expenses. But the court later stayed its own order when city officials threatened to cut fire and police services to meet the terms of the order. While all of this was going on, the plaintiffs were continuing their quest for a full-scale desegregation plan which would dismantle all of the system's all-minority schools. This request was met, at the end of the year, by a court order to develop a systemwide remedy, i.e., Phase C. Planning for Phase C occurred during the third year of Phase B, a year in which the financial problems of implementation appeared to have been brought under control.

The First Year Deficit

Following submission of its Phase B plan to the court, Thornton school officials prepared their budget request for the following year (when, presumably, Phase B would be implemented). The rough budget estimates included with the Phase B proposal were incorporated in the regular budget request--except for the large capital expenditure items. (The latter were handled in a separate budget, as part of the city's overall capital spending budget.) The budget request was set at $115 million--a whopping $20 million higher than the current year's appropriation. City officials promptly slashed $14 million from the board's requested budget. School officials viewed the cuts as disastrous, not merely because they would entail another year of cuts in the district's normal operations, but also because they threatened the district's capacity to carry out its desegregation plan. That plan required expenditures for transportation, renovation, training, and new staffing. Failure of the plan not only would have legal ramifications; it also might mean adoption of a mandatory busing plan, or even judicial interference in school affairs.

Normally, and by law, the Thornton School Board, following city action appropriating an amount for operation of the school system, would adopt a budget of the same amount, making whatever cuts were necessary. But this time the board voted to adopt a deficit budget authorizing $8 million more in expenditures than the amount

approved by the city. The board defended its action as necessary for the welfare of Thornton's children and for compliance with the Phase B desegregation plan which the court had approved. Critics branded the move as fiscally irresponsible, and downright illegal. The fact that the board justified its action in the name of desegregation won it few supporters.

The board did not really expect the year to end with a deficit. There were several potential sources of new revenue. The most likely of these, in the board's eyes, was a court order directing the state to share in the costs of desegregation. The board was obtaining legal advice from an attorney who had been associated with the Detroit desegregation case. There, as in Thornton, the district court had found that the state shared in the liability for segregation, and the court had ordered state payment of substantial desegregation costs. That order recently had been sustained by the U.S. Supreme Court. Judge Green had just affirmed his own earlier finding of state liability, and though the state had appealed that affirmation, the board had no particular reason to believe that it would not be sustained by the appellate court. Thus state funds might become available.

In addition to the prospect of an order to the state, the board had other prospects. A request for substantial ESAA funding had been submitted, and there were rumors that Thornton was in line for a large ESAA grant for its magnet schools. Then too there was an unrelated case which was in the state courts and which appeared to be nearing a favorable resolution. Thornton and other districts had alleged that the state aid program was unfair. While a favorable decision might not produce immediate court-ordered results, it was reasonable to believe that a favorable decision might prompt legislative action on behalf of the victorious party. Even without such action, there was a chance that the legislature might come to the assistance of Thornton, for this was to be an election year, and traditionally elections made legislatures generous. There might be a supplemental appropriation for the schools, or one for the city which then could free local funds for reassignment to the schools. And if the city was not cooperative, there always was the possibility of having Judge Green order the city to make such a supplemental appropriation, for the city too had been found guilty of fostering racial segregation in the schools. True, it would be awkward to proceed against the city, in view of the board's dependence upon the city's good will in future budget discussions, and in further view of the fact that the city's attorney also represented the school board before Judge Green. Nonetheless, the possibility was there.

Given all of these possibilities, the board spent the summer and fall freely spending, in the name of desegregation, funds which it did not have. Simultaneously officials began adding up the desegregation tab, anticipating an order requiring the state to pay. As noted elsewhere, the task of identifying costs could not be done from the district's financial records, for desegregation revenues

and expenditures were not so labelled. Nonetheless, by late autumn officials in the transportation, buildings, and personnel departments had prepared rough approximations of what they took to be desegregation costs. The media, meanwhile, were receiving reports that the initial $8 million projected deficit might grow to as much as $12 million by the time all of the desegregation costs were compiled.

In January the school board submitted to the court a progress report showing steps taken to implement Phases A and B in Thornton's desegregation effort. Included was a handwritten chart showing school-by-school desegregation costs for the previous year (Phase A), the current year (Phase B) and "continuing costs" (evidently those projected for the next year). For the first year of Phase B, the costs amounted to more than $12 million, as follows:

Transportation: $3.2 million
Renovations: $3.4 million
Staff: $5.1 million
Supplies: $0.6 million
Other: $0.4 million

Also included was a memo which reported the cost savings associated with the school closings in Phase A.

Following a brief hearing the court directed the board to provide more information and explanation. The court wanted to know why the full cost of transportation was shown, given that the state reimbursed 80% of transportation costs. There was to be detail about the staff costs: were they <u>new</u> positions "filled by persons not previously employed by the Board?" Were renovation costs paid from the operating budget or the capital budget? What was the board's justification for listing as a desegregation cost some $2 million spent in converting a school to an Arts Magnet when a less costly alternative clearly was possible? Why, in its projections of future costs, was the board listing huge renovation costs for two schools when inclusion of these two schools had clearly not been approved in the Phase B plan? The court also wanted information which would allow it to evaluate the scope and efficiency of the transportation system.

The defendants thereupon submitted a supplemental report on costs. State transportation reimbursement, it was pointed out, would not be received until the following fiscal year; during the current year all of the new costs of transportation for the Phase B plan would have to come from local sources. The names of all personnel in the staff positions were provided but there was no information as to whether the personnel had been previously employed by the school system. (Several sources implied that the "new" employees often were people whose positions had been scheduled for termination in view of the city's cut in the school budget.) However the board did

acknowledge that it had "discovered" that certain employees in a bilingual program had been inadvertently listed in the desegregation budget, which should be reduced from $5.1 million in staffing costs to $4.2 million. As to its decision to create an Arts School in a site which was more expensive to renovate than another site, the board presented a complex display of data intended to show that it would have cost more at the rejected site. As to the schools whose integration had not been ordered, the board explained that it had "understood" that the court had wanted one of them, and that the other one, when finished, would be fully integrated. A data sheet showing overall transportation costs also was submitted, along with a five-page list of problems which had been encountered by the transportation department.

Hearings ensued. Were the subject not so serious, the proceedings might prompt laughter. Even among experts the intricacies of school finance can readily prompt misunderstandings and confusion. But the hearings did not involve financial experts; they involved the plaintiffs' attorney, a state attorney, the defendants' chief desegregation planner (Romero) and one of the city's finance officials. The plaintiffs' attorney was remarkably literate in matters of school finance, but also harbored (with reason, we believe) the suspicion that Thornton school officials were not entirely forthcoming in their presentations of financial information. The state's attorney, representing a party which was still in court contesting the liability finding, and a party which was not inclined to foot any portion of the desegregation bill, had no particular reason for seeking to add clarity to the judicial proceedings. The chief desegregation planner, an instructional person rather than a budgeteer, also had agendas whose pursuit did not encourage direct answers to questions about finance. City finance officials were in an impossible situation: already found liable for contributing to segregation through failures to appropriate funds for desegregation projects, and having cut the school system's budget just when the desegregation plan went into operation, and threatened with a court order to cough up money which could only be obtained by raising taxes or by cutting other vital municipal services, they too had little interest in contributing to clarity in the hearings.

One episode will serve to illustrate the problem. The plaintiffs' attorney was questioning Romero about a discrepancy between two figures concerning the costs of renovating one of the maget schools. In its Phase A proposal the board had projected costs at $600,000. But a year later, just before the hearing, the board reported that the costs of renovation had been $1,100,000. Had the $600,000 been put into the regular budget request? Romero thought it had. Had the board of aldermen provided the funds? Romero noted that the board's budget request had been slashed by the aldermen. Moreover there was not any way to determine whether the $600,000 request had been slashed, because all the aldermen could do was appropriate a lump sum budget. But would not the

state reimburse 60% of whatever had been spent? That would depend, Romero said, on whether the renovation monies came from the operating budget or the capital budget. (Some came from each.) Which did they come from? Romero did not know for sure--partly because some of the projected costs had not even been encumbered yet. And so on and on. Efforts to produce clarity led only to more confusion. After a period of questioning attention turned to transportation reimbursement. Did not the state reimburse at 80% Yes, Romero noted. But the reimbursement would not be paid until the following year. And it would not be 80%. Why not? Because of the limitation on the amount of increase allowed from one year to another. But was not there a provision for the chief state school officer to waive the limit? There was. Had he done so? The request had been made. And the answer? There was no answer yet. Then what would the district receive in transportation aid? That would depend upon what the chief state school officer did. The questioning then turned to another matter, with similarly obscure results. Anyone assuming rationality and certainty in matters of school finance surely would have concluded that the actors were trying to confuse each other and the court. However even if questions had been elegantly and precisely phrased, so that no confusion was possible, the answers probably did not exist in a way that permitted consensus about the costs--past, present, or projected--of desegregation in Thornton. And in the absence of answers, confusion and suspicions were perpetuated.

At this point the plaintiffs introduced a set of questions. In light of Milliken II, had the defendants directed any resources to the students who remained in racially-isolated settings? (Later, in response, the board would file copies of some of its ESAA paperwork--which may or may not have answered the question.) Then the plaintiffs went through the board's school-by-school list of desegregation costs. In several cases, the plaintiffs pointed out, minority students had been moved from one minority school to another; how could transportation and staffing costs in such situations properly be charged as desegregation costs? Nor was it proper, plaintiffs said, to charge for the transportation of students who had gone from one integrated school to another integrated school. (Evidently several magnet school students had been recruited from neighborhoods that already were integrated.) Some of the board's figures, plaintiffs contended, sounded erroneous in view of available data about enrollments. The plaintiffs also wondered whether some of the "new" desegregation personnel were not really former employees "shifted from another school," or paid from another source, e.g., federal assistance funds. Moreover, the plaintiffs pointed out, in its report of Phase B costs the board had neglected to note the amount of funds saved from the school closings accomplished in Phase A, and it neglected to note that in Year II the district was receiving state transportation aid as a result of increased transportation costs in Phase A.

The hearings brought out one longstanding controversy that

further illustrates the complexity of budgetary matters. As noted previously, the board must annually estimate its projected revenues. Typically this is done in a conservative fashion. If revenues turn out to be higher than estimated, they can be remitted to the board of education in the form of a supplemental appropriation. (Since some funds are earmarked for the schools, they cannot be appropriated for any other purposes.) Historically such supplemental payments had been made; they constituted a sort of "unrestricted" windfall income for the board. In the early 1970s however, the board of education, along with many other public bodies, had gotten into the habit of "rolling over" certain obligations from one year to the next. (For example, teachers who work from September through June may elect to be paid on a September-August basis. Thus, while the district has fully obligated the salary by June, it will not have paid the full salary until September. The unpaid obligation can be rolled over and charged against the following year's appropriation. It is, in effect, a debt which must be paid before the appropriation can be used as intended.) By the time desegregation began the annual rollover had grown to several million dollars. However, the spectre of rollover-induced municipal bankruptcy had led to public officials' demands to put an end to the practice. City and state fiscal officials had ascertained that the board's accumulated rollover could be neutralized by applying to it the excess revenues which otherwise would have been turned over to the board as supplemental appropriations. The board, seeing an opportunity to secure the funds, pointed out to Judge Green that the funds, if made available, would help overcome the current deficit traceable to desegregation costs. But the court was not, at the time, persuaded that the dispute was a proper matter for court resolution.

In the midst of the hearings there was an event which Thornton city and school defendants viewed as a disaster. The appeals court sustained the district court's finding of liability against the city and school board officials, but reversed as to the state. Thus hopes for a court order against the state's funds evaporated. The event substantially altered the local agenda. Now it hardly mattered whether a cost was properly attributable to desegregation or not, since the only place where funds could be obtained was from the city budget. Moreover, it was only a matter of a few weeks until the school system would run out of money.

Judge Green took stock of the situation in an order:

> As a result of the [Appeals Court] decision absolving the State defendants from legal liability in this action, the City defendants must bear the burden of developing and financing a school desegregation program without court-ordered State assistance....At this moment the most crucial issue is to insure appropriate funding of the schools until the year's end.
> ...

> Urgent action is required. The early closing of schools would create an intolerable situation from every point of view. It would be disastrous for students who would be unable to complete their studies properly; it would deal a mortal blow to the reputation of this community—educationally, financially, and in many other ways.
> Closing the schools would also engender innumerable practical problems. If teacher and employee contracts are not honored the board would not only be put through expensive grievance procedures but would be forced to deal in future years with a staff whose morale had been demoralized....Furthermore, the board would stand to lose State funds for every day that the school year falls short of the State statutory minimum (court order).

Then the judge required that city and school officials "develop a plan to provide additional funds to the school board which will insure that the schools remain open until the end of this school term." The court also asserted jurisdiction over the disputed funds residing in the city treasury, and directed school officials to submit further information on disputed financial items. In a latter portion of his order, Judge Green displayed distinct interest in questions raised by the plaintiffs concerning (a) the efficiency of the desegregation plan in place, and (b) the validity of some of the board's desegregation cost reports.

Subsequently the board submitted vast quantities of undigested data to the court. They included, for example, a stack of photocopies of ESEA Title I paperwork, decipherable only to those versed in the routines of federal grants management. If nothing else, the documents demonstrate that a defendant has an enormous capacity to obfuscate and delay. But it should not be assumed that the capacity to elucidate and expedite also exists, for in the world of school financial management certain types of questions do not lend themselves to clear answers. Perhaps that was the case with questions about desegregation costs in Thornton.

As it happened, clarification of the cost questions was not required, as the city, the school board, and the state agreed upon a series of maneuvers which served to keep the schools open for the remainder of the year. The state, in exchange for some financial oversight, would advance the city certain funds which were to be repaid over a five-year period. There were strict prohibitions against future deficit spending; sanctions included suspension of the board of education itself. Thus the current school year was salvaged but at the price of mortgaging the board's next budgets and its autonomy.

The Second Year of the Phase B Plan

In the midst of all the excitement over the Year I budget deficit, the budget for the second year of Phase B was being prepared. As the base for projecting their budget school officials did not take the budget which the city had approved the preceding year; they took the deficit budget which the board had adopted. Thus the budget sent to the city for its review would have necessitated a very substantial increase over the previous year's appropriation. The school board actually added several million dollars to the amount which their budget officials had recommended to them, contending that they were responsible for telling the city what it would take to run a proper educational program. The mayor promptly announced that he would recommend cuts.

The day of reckoning finally had arrived. Deficit spending two years previously had been masked by rollovers and by the consequences of the teacher strike. The deficit from the previous year had been met through the state's rescue effort. Now there were debts to be repaid and there was close financial monitoring.

The city eventually made an appropriation which substantially exceeded that of the previous year, but fell far short of the board's request. The TPSD then had to make tremendous staff cuts. Four hundred teaching positions--15% of the total in the district--were abolished. Two hundred teacher aide positions were cancelled. Class sizes increased. Programs in art, music, and physical education were cancelled. Student services were curtailed. Parents protested.

Judge Green decreed that even though there were many flaws in the workings of the Phase B plan, the school district's "bleak financial picture" made the commencement of a new plan "counter-productive" for the time being. However the board was to take steps to improve racial balance in the magnet schools, and it was to proceed with the development of the languishing pupil locator system whose non-operation was making it difficult to monitor the progress of desegregation (court order).

As the school year began the austerity program was evident in all the schools--segregated and desegregated alike. Judge Green began a series of hearings which would drag on all year, creating enormous quantities of financial information but no resolution of the basic problem. Officials from the city reported that they had done all that they could for the school system in view of the city's own financial problems and in view of cutbacks in other city services. The plaintiffs and the school defendants, long and bitter adversaries through years of litigation and disputants just months earlier when the Phase B first-year deficit had been the object of courtroom proceedings, formed an uneasy alliance aimed at stipulating facts about the effects of the program cuts on the desegregation process. After several months of

haggling, they agreed on a list of "desegregation expenses" which they presented to Judge Green, in hopes that he would order the city to at least produce the funds to cover these expenses.

The court, having considered all of this, found itself in a cruel dilemma. Noting that the cutbacks had affected all schools rather than just the schools involved in the desegregation plan, Judge Green remarked that there already were inequities between the magnet schools and others (including some which were predominantly black). But the court's powers extended only to the desegregating schools. Thus, an order restoring funds to the desegregated magnet schools would further aggravate inequities which already existed between the magnet schools and "regular" schools. Restoring cut staff positions in the schools which were receiving students under VIEP would further increase discrepancies between the integrated receiving schools and the black schools from which most participants in VIEP came--an outcome which the judge characterized as "an intolerable result in a remedial plan designed to benefit black students."

Nevertheless Judge Green, in late winter, ordered restoration of more than 200 positions which had been cut from the schools' budget. The city was to finance these positions for the balance of the year. But the city, which already had pronounced itself unable to pay for any more school personnel, responded by saying that satisfaction of the court's order would require severe curtailment of fire and police services. Furthermore, the city said, layoffs of its own personnel would fall most heavily upon recently hired minority employees. Judge Green thereupon stayed his own order. There was to be no financial rescue that year.

The Final Year of Phase B

The final year of Phase B (which also was the planning year for Phase C, as discussed in Section IV below) was not nearly as bleak. For the second year in a row there was a substantial increase in the city's appropriation for the schools, thanks in part to a hefty boost in state school aid and also to an increasingly supportive stance on the part of the mayor. This time the boost did not have to be applied to wiping out accrued deficits. Moreover enrollment continued its steady decline, partially compensating for the staff reductions experienced the previous year. A few more schools were closed, further alleviating pressures on the budget. And there were no new desegregation expenditures to be covered. Some court-ordered adjustments in the VIEP, designed in part to simplify it, helped contain cost increases in that area. Efforts to improve racial balance in the magnet schools also appeared to be working--perhaps because of recruitment efforts, and perhaps because in the previous year's austerity the magnets at least appeared to be better off than other schools.

That appearance was due in part to the availability of ESAA funds. Each magnet school was receiving an average of $200,000 per year in ESAA funds. While these funds were not supposed to be used for "regular" school services, they could be used to purchase services which had been stripped from "regular" schools in the financial retrenchment, as well as to acquire amenities such as additional equipment and supplies, field trips, consultants, aides, and the like--rare treasures in an otherwise impoverished school system.

Other ESAA funds (i.e., non-magnet school funds), amounting to more than $3 million, helped provide otherwise-missing services in other schools affected by the desegregation accomplished in Phases A and B. While these funds amounted to less than 3% of the overall Thornton School District budget, they constituted a very large portion of the district's discretionary money.

Assessments of Phases A and B

Our sources in Thornton displayed wildly divergent assessments of desegregation under Phases A and B. TPSD officials thought that they had accomplished a great deal. Spokespersons for the plaintiffs thought that a great deal remained to be accomplished. And Judge Green thought that both parties' views had some merit.

The defendants' assessments rested on multiple criteria. One criterion focused on reduction of racial isolation. Thornton's two all-black high schools had been eliminated, and all high schools were integrated. The all-black junior high schools which had figured so prominently in the liability litigation had been integrated as magnet schools. All of the city's predominantly-white elementary schools had been desegregated through reassignments and the VIEP. All of this had been accomplished, moreover, without precipitating any noticeable white flight. Indeed district records indicated that some magnet school enrollees had been recruited from non-public schools--an indication that competition with such schools was possible.

A second criterion of success was programmatic: Thornton's public schools were believed to be better after desegregation than they had been before desegregation. The usual indicator was the presence of the magnet schools, which enrolled about one-seventh of the system's students by the end of Phase B, and which were materially better than the system's "regular" schools. These schools offered parents choices which had not been available before.

There were other important criteria. Legally, the Phase A and B plans had withstood the plaintiffs' criticisms, by and large. Judge Green still was deferring to the school authorities in showdowns between their proposals and those of the plaintiffs. Politically, desegregation had not become a divisive issue in Thornton.

Violence had been averted, opposition was muted, the media were supportive, the board was united (at least in public), and, of particular significance, there were signs that the mayor and board of aldermen were becoming more supportive of the schools. Their support was germane to a fourth criterion of success. Despite the financial agonies experienced mid-way through Phase B, the benefits appear to have been commensurate. In effect, the deficit budget adopted at the beginning of Phase B had paid off, albeit not without pain. City appropriations for the second and third year of Phase B had contained measurably higher-than-normal increases. Moreover some accumulating financial problems--hidden deficits and surplus schoolhouses--had been purged from the system. Then too, there was the ESAA money, amounting to several million dollars per year. On all these grounds then, school officials had a basis for some satisfaction.

The plaintiffs were not satisfied. They had one paramount goal: complete and equitable desegregation of all of the city's schools. Thus the continued existence of more than a dozen all-black elementary schools, enrolling more than half of the system's minority elementary school students, was intolerable. Moreover minority students--particularly at the elementary level--were more likely than white students to have their schools closed and to have to take long bus rides. Furthermore the apparent desegregation at the high school level seemed to be unstable, and the defendants appeared to be insufficiently concerned about it.

Even more vexing to the plaintiffs, it appears, was the prospect that Thornton school officials were being allowed to institutionalize a desegregation strategy which contained inherent and irremediable flaws. VIEP was simply a one-way busing program, "OWB." And OWB was no more popular among the plaintiffs' spokespersons than "forced busing" was among the defendants. Moreover VIEP and the magnet schools were enormously expensive ways of accomplishing desegregation, particularly in view of the fact that they concentrated resources on desegregated schools, leaving the remaining all-black schools more impoverished than they otherwise might be. The plaintiffs did not believe that magnet schools and VIEP would desegregate the remaining all-black schools; the risk was that these schools would remain under-resourced, un-desegregated, and hence, unequal.

IV. PHASE C

During the second year of the Phase B plan, both the defendants' and the plaintiffs' arguments were developed in documents and hearings. In addition, Judge Green had the benefit of reports from a monitoring commission which he had created. The state's financial oversight team also prepared reports (which indicated, among other things, that there still was a surplus of schools in Thornton).

Early in the summer of 1979 Judge Green issued the order which set Phase C in motion. Although school officials labelled the order a "bombshell," the forces underlying it had been building for months. A year earlier the Supreme Court had held, in Dayton, that remedial orders must be tailored to the scope of the violation. A system-wide remedy, that is, could not be ordered in the absence of a finding of a system-wide violation. Immediately after the Dayton case Green had ordered the attorneys for plaintiffs and defendants to comment on its significance for Thornton. Hearings had been held in November. But then Judge Green issued no ruling for eight months—a delay which some observers imputed to the court's preoccupations with the school district's financial difficulties. (To the extent that that interpretation is correct, it constitutes evidence that financial constraints did affect desegregation in Thornton, for if Judge Green had issued his order soon after the hearings, a Phase C plan conceivably could have been implemented a year earlier than actually occurred.) Green, reviewing his findings in light of Dayton, now explicitly concluded that the violation had been system-wide, and that the remedy must also be system-wide. Thus the presumption was that no racially-identifiable schools were permissible. That, of course, was exactly the presumption that the plaintiffs had been urging all along. Evidently the continued operation of more than a dozen all-black elementary schools would no longer be countenanced by the court.

Additional incentives for the new order apparently came from observations of the workings of the Phase B plan. Experience with the citizens monitoring commission had drawn attention to difficulties in ascertaining whether the court's orders were being fully implemented. In his order, Judge Green spoke to this problem:

> Certainty and manageability are important ingredients of desegregation decrees. The remedy imposed must be supervised by the court to determine whether or not it is being successfully and properly implemented....It requires a remedy which is not so complex that compliance cannot as a practical matter be determined....[Under the present plan] when a question arises as to the current design of the program, information is very difficult to obtain and usually is provided, if at all, many months after it is requested. [Here the court inserted a footnote describing difficulties encountered by the monitoring commission in its efforts to obtain information from the school system.] Moreover the factual detail is so overwhelming that it is exceedingly difficult to determine whether the program is being carried out as promised (U.S. District Court order).

Thus Phase B appeared to fail not only on constitutional grounds; it failed also on practical grounds. Beyond that, there was

evidence that school officials were deliberately circumventing provisions of the court-approved Phase B plan. "It is clear," said the court, "that the VIEP staff has no intent of simplifying VIEP feeder patterns in accordance with the general directives of this court." Moreover certain student assignments "were in direct violation of the Board's representations in [its plan] and contributed to racial imbalance."

In view of these and other shortcomings the school defendants were directed to devise a new desegregation plan. It must be system-wide. The goal must be to eliminate all racially-identifiable schools, and while "it may be that it will be impossible to rid the system of every all-minority school...an attempt must be made and, if this objective cannot be reached, good reason must be set forth in the record." VIEP, "as it is currently structured must be dismantled as soon as possible." Transportation was an allowable technique, but any ride requiring longer than 45 minutes would require express court approval. The board was urged to continue to close schools inasmuch as "substantial savings could be achieved." Remedial planning should begin at once, and a comprehensive remedy plan was to be submitted in five months, for full implementation the following year.

Designing Phase C

Green's order provoked a chorus of dismay, much of it couched in financial terms. Even the plaintiffs, convinced of the rightness of the order, expressed worry about finding funds to carry out the order. Noting that Green had recently stayed his own order directing the city to provide supplemental funds for the Phase B plan, a spokesperson for the plaintiffs said, "I would hope the judge would remove the stay of his order. Otherwise, where is the money going to come from? The school board can't raise funds, the city is not required, and the state is off the hook." The school board president, "stunned" by the decision, reported that much depended on funding—which was not mentioned in the court's order. The board had wanted to do some of the things in the order "like pairing and clustering" the president said, but did not have the money. "Our planning would have no legitimacy unless we can have the finances. We cannot continue to reduce the budget and still comply with the order." Several elected officials cited the board's strapped financial condition as grounds for avoiding the costs of "forced busing" which the order was immediately assumed to require.

The day following the court's order one of the metropolitan dailies published a full-page headline: "Order May Cost Schools $2 Million." The figure was attributed to Romero, who calculated that dismantling VIEP would create 30 racially identifiable schools enrolling 18,000 students. If these schools were paired, half the students would have to be bused. At current spending levels,

that would mean $300 per student, or $2.7 million. However $0.8 million would be saved by dismantling VIEP, and so the cost would be $1.9 million.

It was not long before the board's response strategy became apparent. First, Judge Green's assessment of the defects of VIEP would be directly challenged. The director of that program arranged a press conference in which parents who were pleased with VIEP endorsed the program and urged its continuation. Perhaps, school officials said, the judge's assessment of VIEP rested on data which were no longer valid (despite the fact that the court itself had noted that the board had failed to provide the court with timely data). Second, forced busing would not be used; voluntarism would continue to be the cornerstone of the board's position. Third, legal resistance would be pursued. Some of the all-black schools had become so after the liability finding and hence, the board claimed, could be excluded from a remedy plan. Furthermore, the judge's order would be appealed--all the way to the Supreme Court if necessary. Finally, there would be an appeal to the judge's reasonableness: "The judge has always been reasonable in the past," the superintendent noted, "and I'm sure he'll listen and make some important changes in his decision."

Two weeks after issuing his order, Judge Green summoned lawyers in an effort to clear up what he called "misapprehensions" and "clear misreadings" of his order. First he noted that VIEP need not be dismantled immediately; rather it was to be replaced by a better plan. Hence parents protesting his order to end VIEP need not fear that students would be reassigned to segregated schools. Moreover, in an apparent departure from his earlier language, Green implied that the VIEP might be phased out over a multi-year period rather than ended "as soon as possible." However Green reserved his strongest language for the comments about the costs of a new phase. Those who assumed that the new plan would be costly made an "erroneous assumption." Furthermore, said the judge,

> I do not know how anyone could make estimates at all. For example when we have for the past year attempted to find out how much the transportation in VIEP cost, the answer was given again and again, "Well, we really don't have the figures and we can't break it down." So [how] anyone could make an estimate of how much additional expense would be is just beyond me, and I would like someone to provide an explanation if they could (transcript of proceedings).

The judge went on to point out that he thought a new plan would save money. His order had called for school closings, and closings cut costs. Furthermore, because elimination of VIEP would greatly simplify the transportation system, there would be savings in that area too. The board was free, of course, to propose an

expensive plan if it wished. But it did not have to. And the "Court certainly will not approve a desegregation plan destined to bankrupt the City." (transcript of proceedings)

In the midst of the furor the board moved promptly to close schools, just as it had done in Phase A. Four schools were designated for closing. The action, it was said, was fully consistent with the court's order recommending further closings as a money-saving device. But a problem quickly developed. Would students from the closed schools be permitted to participate in VIEP? The board said that they should be, as denial of participation would deny these students an integrated education. But the plaintiffs said it was a ruse to expand VIEP and that the schools should be kept open until a Phase C plan was approved. The court considered the matter—and then ruled in favor of the board, continuing a tradition of deference to board actions.

Within a few weeks the initial furor subsided. The press began to carry reports of individuals and groups citing the justice of the court's order, and urging compliance with it. With court approval, attorneys for the plaintiffs and the board entered into closed negotiation sessions which, it was hoped, might produce an acceptable settlement such as the one recently worked out in another city. But the attorneys were proceeding from different legal premises, and their lengthy negotiations proved to be futile. The plaintiffs, encouraged by the Supreme Court's recent decisions in the Dayton and Columbus cases, continued to insist on elimination of all racially-identifiable schools. The board's attorney, eyeing a case in Dallas which seemed to permit the continuation of some one-race schools, held that total desegregation was not necessary.

As the negotiations were under way, Romero's desegregation planning team went back to work. Several features of the team's working milieu were important determinants of the proposal they soon would suggest. First, as just noted, the school board was not prepared—nor had it been ordered—to prepare a desegregation plan which involved mandatory reassignment. Voluntarism was to remain the foundation of planning. (The plaintiffs asserted that, in view of the board's primarily-white constituency, there simply were not enough board votes to direct the creation of a plan which would be equitable for black students.)

Second, as in Phase B, the desegregation planning process occurred outside the normal financial management system of the Thornton schools. Planning for desegregation was treated primarily as an instructional and legal problem, not a financial problem. And the planners were instructional people, not budget personnel—a fact that may have contributed to the rudimentary form of the cost estimates later presented to the court.

Third, given the continuity in the desegregation planning

team, there was a good chance that the "lessons" learned in Phases A and B would extend to Phase C. The lessons, evidently, were that magnet schools worked, that financial crises were survivable, that voluntarism was a viable political strategy, that the court eventually could be persuaded that progress (rather than a complete remedy) was an adequate measure of responsiveness, that desegregation could serve as a pretext for making improvements in the instructional programs of Thornton, that complexity could be used to the district's advantage during litigation, and that federal assistance in the form of ESAA funds could be obtained.

This then, was the strategic orientation of the school bureaucrats responsible for designing the Phase C plan. As will become apparent subsequently, the orientation was fundamentally different from that of the plaintiffs, for whom prompt and thorough racial balance was the principal assessment criterion.

Because of the different orientations of the school defendants and the plaintiffs, the Phase C design process was turbulent and protracted. Romero's planning team engaged in a five-month process which involved dozens of community meetings aimed both at securing community input and developing community and school board support. The proposed Phase C plan submitted to Judge Green in November was little more than an outline. It was greeted with dismay by the plaintiffs—principally because the plan left four large elementary schools all-black and because the long-detested VIEP was proposed for continuation. The plaintiffs then prepared their own detailed counter-plan. Extended hearings followed; they were marked by argument over a myriad of factual matters, but reflected the fundamentally different strategic orientations of the two parties. Finally in June, with the hearings not concluded and the private negotiations bogged down, Judge Green ordered the board to proceed with most of its Phase C proposals. Thereupon the plaintiffs asked the court of appeals for an order staying implementation. This put the plaintiffs in the rather anomalous position of seeking to halt a desegregation plan, but also provided some negotiations leverage. Several last-minute changes in the Phase C plan—aimed at accommodating the plaintiffs—were proposed and approved in July. Meanwhile the defendants told the appeals court that delay would produce chaos in the schools, forcing a delayed opening. The plaintiffs' request for a stay was denied, and Phase C, as modified, went into effect.

The Board's Phase C Plan

Desegregation planning went on behind closed doors. However shortly before the deadline for submitting proposals to the court, details leaked out. Eventually a draft of the plan itself was released and highly publicized through the media. The action prompted Judge Green to announce that the proposal had not been

approved by the court.

The plan, as finally presented to the court, included the following elements:

Closing of nine schools
Construction of one new school
Creation of five new magnet schools
Creation of five Early School Centers
Continuation of VIEP

The net cost of the plan was estimated at just under $1 million, after calculations of savings accruing from the closed schools. An additional half million would be needed in the event that federal funds could not be obtained for teacher aides at the Early School Centers.

Closings

During the implementation of Phases A and B, Judge Green evidently came to understand the close connections among school closings, cost savings, and desegregation. In his order directing the design of a Phase C plan, Judge Green included the following guideline:

> Given the fiscal difficulties now facing the City and the Board, as well as the sharp decline in school enrollments in the past decade, it is clear that the new remedy plan must include plans to close a substantial number of schools (order).

Moreover, the judge noted, the board recently had received reports from the state department of education financial monitoring team and from a community study group; both indicated that "substantial savings could be achieved by school closings." Two weeks after issuing his order the judge again linked closings and savings: "The City of Thornton and the School Department must take advantage of this opportunity to save money." (transcript of proceedings)

The desegregation planning team certainly was not averse to acting in a manner consistent with the order. During Phases A and B nearly one-fifth of Thornton's schools had been closed. The experience had shown that school closings served a number of purposes: deteriorating and unsound structures could be abandoned, with resultant savings in costs of operation and renovation; under-utilized and small buildings could be closed, reducing cost inefficiencies; and closings generated groups of students who could either volunteer for placement in integrated settings or could be reassigned to such settings, thus fostering the desegregation which the court sought.

However the task of designating buildings for closing was constrained in several ways. One constraint was technical. There was no information base which permitted ready identification of the buildings which were the "worst" in the district in terms of economy. The problem was not merely that the requisite information was not readily accessible. The problem was that there were no clear standards for interpreting information. A schoolhouse's age for example (assuming that the building had been constructed all at once) was not necessarily an indicator of soundness, for some old structures were in better condition than some new ones. Some old structures been recently renovated; some new ones were in urgent need of major repairs. Capacity also was not a very useful indicator, particularly if the presence (or potential presence) of special purpose rooms had to be calculated. Then there was the matter of a building's locale—accessibility to transportation arteries, availability of space for loading and unloading schoolbuses, and presence of safe or unsafe environs. (At one point Judge Green ordered the city to demolish some derelict buildings near schoolhouses that were involved in the desegregation plan.) Along with questions about the immediate environs were questions about trends in the neighborhood demography. Was it losing population or gaining? What was happening to the racial mix in the neighborhood? Finally, there were the special features of each building: playgrounds, lunchrooms, auditoriums, special purpose rooms, safety features, and the like. While it is easy to say that a well-run school system would maintain data files reporting on such matters, and that formulas weighing each variable ought to be devised, the fact of the matter is that such activities require resources that were not available. Consequently the information on which to base school closing decisions was rather informal. And, in any event, other considerations took precedence.

Equity was one such consideration. Plaintiffs had persistently claimed that the closings in Phases A and B had adversely and disproportionately affected the city's black students. Black neighborhoods were more likely than white neighborhoods to have their schools closed, and the inevitable result was that black students were more likely than white students to participate in busing. The closings strategy then, while not opposed in principle, would be opposed if it was equitable.

Another constraint on the closing process was much more political. As one of the planners put it, board members and aldermen "live in neighborhoods and get elected from them." While these elected officials could easily see the cost advantages associated with closings, political palatability required that closings be spread throughout the city rather than concentrated in one area. It also was important to spread the closings over a multi-year period. Indeed the city aldermen had indicated that the school closings which occurred during Phases A and B were enough; further closings should not be undertaken. This viewpoint

could not be altogether ignored, for after all it was the aldermen who set the school district's budget. Somehow the political constraint would have to be meshed with others, e.g., cost reduction and equity.

As it happened, the groundwork for closings had been laid in the months just prior to Judge Green's order directing preparation of a Phase C plan. Three facilities utilization studies had been undertaken. One, conducted by the TPSD staff in partial response to judicial demands for information on costs, had generated information of school plant conditions, utilization levels, and cost savings that would be associated with closings. Second, the state-appointed financial monitoring commission, which had evolved from the financial crises of Phase B, had conducted its own facilities study, and had recently submitted a report recommending the closing of as many as 15 schools. Third, and perhaps most important, a citizens' commission had been appointed to make recommendations on school closings. The commission had been constructed to reflect political realities: each board member and each alderman had appointed one member, thus assuring broad geographic and political representation. The commission submitted its report two months prior to Judge Green's Phase C order. Seven schools were recommended for closing, based on considerations of building quality, utilization levels, and racial integration.

The Phase C plan which was filed with the court stated that nine schools were to be closed. Six were predominantly white; the others were predominantly black. Much attention was given to the financial aspects of the closings. Exhibits accompanying the plan indicated that an administrator's salary would be saved in each closed building (two salaries where the building was a large one). Teaching positions could be eliminated where the students from the closed schools were sent to schools with underenrolled classrooms. For each closed school the number of teaching positions saved was calculated, and then multiplied by a standard salary figure. Finally, there was a saving of one custodian's salary for each closed school. We did not encounter estimates of savings on utilities, heat/cooling, or maintenance, although the head of the district's maintenance program acknowledged that the reduced number of open schools affected his needs for maintenance employees. What we found, in short, was a fairly complex set of elements used to project the financial consequences of school closings. While the elements often were reflected in formulas, and while the bases for the formulas were not specified (to us, at least), it does appear that the estimates represent a good-faith effort to project at least ball park figures on the financial aspects of this component of the desegregation plan.

However the savings were somewhat offset by costs associated with closings. One source described the short-term one-time costs which accompany closings: removal of supplies and equipment,

continuation of utility payments until the city government took custody of the building, employment of security personnel to prevent vandalism and pilferage (a news article reported how thieves entered one vacant building and stripped it of all copper piping and plumbing fixtures during one night), and costs of a custodian/engineer to maintain heat and keep up appearances. A rough formula had been devised: savings from closings averaged $25,000 for buildings enrolling less than 500 students, and $50,000 for larger buildings.

Such calculations, despite their tenuous and incomplete nature, were the most careful ones that we found in the desegregation planning process. It does not appear that calculation of costs and savings served as inputs or determinants in the planning process. Instead, the financial estimates were viewed simply as consequences of the plan. Put differently, we found no indication that the number or location of schools selected for closing was based on an effort to develop the most cost-effective roster of buildings. On balance, it appears to us that the financial aspects of school closings served as a background variable. Financial concerns suggested closings as a component of the desegregation plan, but did not dictate the number or identity of the buildings to be closed. (On the other hand, it is noteworthy that most of the buildings selected for closing were very old, and reflected low utilization levels. The latter factor had another effect on finances: it minimized the numbers of students to be transported as a result of closings.)

Conversions

In Phase B several Thornton schools had been converted--some from one grade configuration to another and others to use as magnet schools. In several cases the renovations had required substantial expenditures. The magnets, for example, often required the addition of specialized facilities. Changes in grade configuration involved matters such as the addition or elimination of home economics rooms and industrial arts areas, or the addition of lunchroom facilities. As noted in our description of Phase B, these renovation costs contributed to the financial problems encountered during Phase B.

Despite their cost, renovations seemed to make good sense to school officials. For example several of the magnet schools were new schools located in black neighborhoods; without "magnetization" those schools would have been used as receiving schools in an involuntary reassignment program which, school officials believed, would evoke resistance to the white community. In addition, of course, the renovations were deemed to contribute to improved educational opportunities.

Despite the financial difficulties encountered during Phase B, and the role which conversions played in these difficulties, Romero's team proposed still more renovations in their Phase C proposal. Two secondary schools would be converted to K-8 schools. Furthermore there would be five new magnet schools, and five Early School Centers (ESCs) would be created within existing elementary schools. Interestingly, and in noticeable contrast to the detailed financial information concerning the financial ramifications of school closings, the proposals for conversions made no mention of costs—even though it was obvious that costs would be entailed in making the conversions. The omission helps explain a comment made to us by a spokesperson for a community action group. "It seems," he said, "that they never have the money to do what they don't want to do, but they can come up with the money for the things that they want to do."

New Construction

In the 1960s proposals for desegregation in Thornton often had centered on capital construction projects. New schools made sense on a number of grounds. First, enrollments were growing and additional space was needed. Second, most facilities dated from pre-World War II, and replacements were urgently needed. Third, careful siting of new facilities, e.g., in racially mixed areas or in zones between black and white communities, would promote "natural" integration. Whatever its merits however, the idea attracted little interest among Thornton city officials; indeed their decisions about new facilities more often promoted segregation than integration—a major factor in the liability finding against the city.

With advent of court-ordered remedial planning a decade later, circumstances were different. Enrollment had dropped precipitously, and the deterioration of the city's fiscal health virtually precluded major new construction. Yet schoolhouses still needed to be replaced. And there needed to be viable integrated schools in black neighborhoods.

Thus a Phase C proposal to build a new Science Magnet school was not altogether unreasonable, even given the huge cost of new school construction. Old School 12 was in bad shape, but was located in a community that had strong and vocal leadership and an able school principal. Together the principal and community leaders urged the planners to propose a new replacement school that would be operated in conjunction with the nearby science museum. Such a school would stabilize the community, and, if sufficiently magnetic, attract an integrated student body. If successful, the idea also would help counter objections that too many black schools were being closed, and too few white students were being bused into black neighborhoods.

Not much was said about the new school in the Phase C proposal. Indeed, in the page which briefly described the proposed new magnets, the planners neglected to mention that the magnet required construction of a new school. That information appeared in another portion of the proposal, wherein several rezonings were proposed; one would promote integration "when the new School 12 building is completed." Further on, in a section entitled "fiscal outlook," the proposal said merely that "the construction of the new School 12 would appear to be within the $15 million allocation projected by City authorities for school purposes over the next three years." No additional information was provided--an omission that would prompt extended questioning at subsequent hearings on the board's proposed Phase C plan.

Magnet Schools

Nowhere is the triumph of political considerations over financial ones more apparent than in the planning team's utilization of magnet schools. Magnet schools had been the centerpiece of the Phase B proposal. Now five more magnet schools were proposed in the Phase C plan. From past experience school officials knew that magnet schools were much more expensive to operate than "regular" schools, that they required special supplemental administrative support systems, lower student-teacher ratios, and supplemental supplies and equipment. Moreover, as the plaintiffs repeatedly had pointed out, there were no guarantees that magnets would be desegregated. But the planners felt that magnet schools brought several major advantages to the Thornton schools. The essential advantage claimed for them was that the magnet schools were attractive to middle class--particularly white--parents. Some of these parents were believed to view the magnet schools as "havens," (though we were uncertain as to whether the "protection" was from alleged mediocrity in "regular" schools, from involuntary reassignments, or from schools which were in transition from predominantly-white to predominantly-black. Probably all the factors were at work, but data as to their relative significance were not available to us, if they existed at all.) Magnets also were believed by schools officials to be re-attracting to the public schools students who had enrolled, or would have enrolled, elsewhere. One of our sources asserted that the magnet schools had attracted some students who had been confronted by a tuition increase in the city's catholic schools. A Montessori magnet school, we were told, attracted parents--evidently white--who otherwise would have enrolled their children in private Montessori schools, at considerable tuition expense.

In short, despite their high costs, magnet schools were deemed to have high payoff value for the TPSD. Part of the payoff, of course, was legal: magnet schools--particularly when located at formerly black inner city schools--contributed to desegregation.

Part of the payoff undoubtedly was the prospect of retaining or attracting white middle class children to the TPSD, thus slowing the enrollment decline and the associated problems of excess buildings and staff layoffs. The magnets did more than arrest decline: they were seen by district officials as indications of school system renewal and revitalization. Indeed, our visits to the schools confirmed that they were sites for exciting school programs. (An important part of this renewal, to our thinking, was that it involved strong emphasis on site planning and community involvement--in notable contrast to the centralism which has been so prominent in urban school systems.)

But the real payoff was in city hall. The mayor had taken up the theme that the renewal of the TPSD was a key to the revitalization of Thornton itself (a theme which school officials themselves cheerfully echoed). Admittedly, the mayor had been assiduously courted. The result was mayoral support for the school board's proposed budget, and, for the first time in years, no major cuts in that budget--at least from the mayor. The same technique was apparent at the city council level. At budget time, magnet school parents packed the city hall hearing chambers to voice their support for the schools. Thus the great function of the magnet schools, we were told, was not simply to improve learning and promote desegregation; it also was to create the impression that exciting things were going on in the Thornton schools. Nourishment of that impression was deemed essential to the health of the system. As nearly as we could ascertain, the magnet schools were indeed fulfilling that function very well.

In view of the great enthusiasm which central office administrators expressed for magnet schools, it is perhaps surprising that only five magnets were proposed in the Phase C plan. As always, the reasons for non-events must be speculative, but it does appear that several factors operated to constrain the extent to which magnets were proposed. We do know that TPSD officials already had learned that the "market" for magnet schools was somewhat limited. Despite an enormous and imaginative recruitment effort, only a limited number of students had applied for positions in the magnet schools. Indeed, in Phase B the court had at one point refused to authorize some of the sites as part of the desegregation plan, due to lack of racial balance among applicants. Later, some of the magnets had failed to qualify for federal ESAA funding for the same reason. The recruitment problem later had been ameliorated, but it probably was clear that the credibility of the magnet school approach to desegregation rested upon the maintenance of a fairly high level of success in filling the magnets. Thus the number of new magnets could not run too far ahead of reasonable expectations about the number of applicants that could be found for them.

We have no direct evidence that financial considerations limited the number of new magnets proposed. However, based upon

their experience with magnet schools in Phases A and B, TPSD personnel had a fairly good idea about the financial implications of proceeding with new magnets. They knew, for example, that the operation of magnet schools involved excess costs, particularly for building renovation, reduced student-teacher ratios, specialized instructional and support personnel, specialized materials and equipment, and additional transportation. They also knew that some of these excess costs could be passed along to outside funding agencies. Materials, equipment, and some excess personnel, for example, could be subsidized with ESAA funds, assuming the district's application for such funds was approved by the federal government. Most of the transportation costs would be 90% reimbursed, albeit with a one-year lag in reimbursing. However there were other costs which would have to be borne by local sources: some renovations, some additional personnel, and the local share of transportation. According to the summary financial figures submitted to the court, the local magnet school costs would be $1,021,350 in the initial year of operation. A quarter of this, it was stated, would be offset by "savings at the sending schools"—a claim introduced without any substantiation. There was a similar lack of substantiation of the cost projections for establishing and initially operating the magnet schools. On balance, it appears to us that the limitation on the number of new magnets did not reflect their costs, per se, but rather the notion that new initiatives might best be focused elsewhere.

Early School Centers

Early in the planning process Romero's planning team seized upon the idea of creating Early School Centers (ESCs). It is not clear to us how the ESC idea came into the discussions. In the 1970s early childhood education had been extensively discussed throughout the nation. Such education, it was said, would be useful components of compensatory education aimed at reducing the "readiness" gap between children from middle class and lower class homes. Centers also addressed the growing need for day care facilities for children of single parents and of homes with two working parents. Furthermore, early childhood programs offered the prospect of helping fill empty schoolhouse seats and to employ surplus teachers—two problems of growing significance in cities such as Thornton where school enrollment declines were steep.

The plaintiffs in the Thornton desegregation case had proposed some early childhood programs at the time that Phase B was being considered. In their proposal (which was rejected by the court) the plaintiffs had noted that early childhood programs "provide a means by which the past effects of discrimination can in fact be overcome." Both pedagogical and social arguments favoring such programs had been included in the plaintiffs' proposal.

They acknowledged that such programs were expensive. But, they said, "the overriding consideration should not be money, but rather educational benefit." To solve the money problem, the state "should be required to come forward with a detailed plan including a realistic plan for financing for intervention programs for young children to overcome the effects of past discrimination." (plaintiffs' proposed plan, Phase B) But the plaintiffs' proposal was rejected along with the rest of their Phase B plan.

Whatever the roots, the desegregation planning team incorporated in its proposal a plan for establishing five ESCs. Four were to be located in predominantly-black schools. Each center would provide programs for youngsters from pre-school age through grade 2. The students would be drawn from designated outlying schools where it was hoped there were sufficient parents seeking childcare facilities or early schooling experiences. Indeed, the planners voiced the hope that some city and suburban parents who now placed their children in tuition-charging early childhood centers would be enticed into Thornton's ESCs.

All available evidence points toward the conclusion that the ESC idea was neither stimulated nor constrained by financial considerations. It appeared (to the planners) that ESAA money would be available for the kindergarten and grades 1 and 2 portions, but not for the pre-school portions of the ESCs. However there were rumors that state money might become available for pre-school education. (Here a conceptual dilemma becomes apparent: were the ESCs desegregation programs, for which state funds were not available directly, or early childhood programs, for which state money might be available? Further, if they were the latter, how could they be presented to the court as the former?)

Rudimentary cost projections were appended to the Phase C plan given to the court. For example, there were separate cost projections for "initial" and "continuing" costs in the ESCs. However the basis for calculating the start-up costs was not specified in the court document. The cost projections took into account the fact that the ESCs would not require wholescale additions to the teaching staff; some of the students in the ESCs would be students even in the absence of the programs, whereas others (the pre-schoolers, and any others newly attracted into the school system) would require additional personnel. Thus the teacher costs of the ESCs were calculated as a net cost: the cost of the ESC staff <u>less</u> the cost of teachers who would be absorbed from the existing kindergarten and primary classrooms. Other calculations projected the additional costs that would be entailed in the event that CETA funding was not available, and the costs of transporting pupils to the ESCs. The latter was computed, it appears, at $200 per pupil, but the basis for this cost projection is not evident in the report to the court. In fact, at no point is the basis for the cost projections presented; the

reader must guess. Altogether, first-year costs for the five centers would amount to $534,000; continuation costs would be $300,000 per year.

Voluntary Integrated Education Program (VIEP)

In Phases A and B all of Thornton's predominantly-majority elementary schools had been desegregated. Some of this desegregation was attributable to reassignments of students from closed schools. However the principal desegregative technique was VIEP. VIEP was a device whereby racially isolated "sending" and "receiving" schools were designated. The former were black; the latter were white. Students from sending schools were encouraged to transfer to receiving schools. Transportation was provided. Each year recruiters visited sending schools to obtain the names of volunteers. Then the director of the VIEP program assigned the volunteers to one of the designated receiving schools. The initial criterion for assignment seems to have been the racial enrollment in the receiving schools. That is, minority volunteers were assigned to the white receiving schools so as to assure that the latter attained at least a 20% black enrollment level. What that meant, in effect, was that students from a single sending neighborhood might be sent to a variety of receiving schools. The matter was further complicated by another assignment policy: once in a receiving school a student stayed there even if his address changed. School administrators said this policy was designed to provide a desired component of "continuity" in the students' programs. Furthermore, they said, the procedure produced the "flexibility" which was needed in order to preserve school-level racial balance in the face of population mobility.

As it was implemented, VIEP was extraordinarily complicated. In the second year of Phase B there had been 18 sending schools and 36 receiving schools. Typically receiving schools drew their students from at least five sending schools, but in some cases there were as many as ten sending schools for one receiving school. Viewed from the perspective of the sending school, the situation was even more complex. Students from a single neighborhood were being distributed to as many as 19 different receiving schools. Half of the sending schools fed at least eight receivers each. The transportation logistics were formidable. With only 3,000 participating VIEP students, long bus rides and underutilized buses were inevitable. In a sending school neighborhood, for example, several buses were necessary to pick up students destined for a scattered array of receiving schools. Conversely a bus might have to visit several sending school neighborhoods in order to gather a load of students going to a particular receiving school.

In his order requiring development of a Phase C plan, Judge Green had a number of criticisms of the VIEP. Among them

were these:

> The complexity of the VIEP feeder pattern and of its resulting transportation system creates insurmountable practical problems in administration and numerous inefficiencies in financing.
> ...The planning and execution of such circuitous bus routes (carries) a disproportionate price tag considering the amount of desegregation actually achieved.
> At a time in which the City of Thornton and the Board of Education face severe budgetary deficits, such a system simply does not make sense (order).

The judge went on to voice a number of other strong criticisms of VIEP, and then ordered that VIEP "as it is currently structured must be dismantled as soon as possible."

Romero's desegregation planning team, while not disputing the complexities and inefficiencies of VIEP, chose not to dismantle it. Without VIEP the all-majority schools would reappear, and the 3,000 youngsters who had been enticed into the program would have to return to their segregated schools. Such consequences would virtually necessitate the long-avoided mandatory reassignment strategy advocated by the plaintiffs. Such a strategy might be less expensive, and it might accomplish more desegregation, but it was politically unacceptable.

As a result the Phase C proposal included a continuation of VIEP, albeit in a somewhat modified form. Students presently participating in VIEP would be allowed to continue to participate. Their siblings also would be permitted to participate. Beyond that however, since there were only four all-black schools remaining (assuming implementation of the Phase C proposals) the number of new participants would be limited to the attendance areas of those four schools. The net effect of these proposals would be a gradual reduction in the number of VIEP students; however the immediate effects would be negligible. Costs were not mentioned.

Net Costs of the Phase C Proposal

Unsurprisingly, in view of the attention given to financial problems during Phase B, the board's proposal this time attempted to project the costs of its proposals. But the projection was very vague and superficial. The most detailed portion was associated with savings from the school closings; these would amount to $1.5 million, less $0.4 million in first-year shut down costs. The new magnet schools would cost about $0.75 million per year in regular operating funds. (Nothing was said about ESAA funds; presumably these would be in addition to the necessary operating budget funds.) The ESCs were projected to cost

$0.5 million in operating funds, and twice that figure if the necessary teacher aides could not be funded through CETA. The net first-year Phase C cost then, would be $1.4 million in operating funds, assuming the availability of CETA money. These costs, said the board's proposal, "are more than adequately justified by community demands for safety, improved educational programs, and adequate auxiliary service in newly integrated schools." (Phase C proposal)

The Plaintiffs' Proposal

The board's Phase C proposal was not acceptable to the plaintiffs. They prepared a detailed critique. The board's plan, they said, was just "another example in a long history of obstructionist tactics, delay and denial of equal educational opportunities, and fails to comply with the Court's Order...." (plaintiffs' response) The proposal failed to desegregate four of the city's all minority schools, and failed to explain why these four were not desegregated. The plan discriminated against minority students whose schools were closed and whose school assignments were made by school officials; white students' schools were not closed and they had fixed school assignments. The proposal contemplated continuation of VIEP, despite court directives to dismantle it. Growing racial imbalance in the high schools, caused in part by the board's own actions, were not addressed in the Phase C proposal. Moreover the proposal failed to include the required information about transportation time and distance. Finally, said the plaintiffs in their response,

> The cost of the new plan is disproportionate to the result to be achieved. Schools are closed and reassignments made in ways that are incompatible with facilities available, contain hidden costs, and add burdens on minority students (plaintiffs' response, emphasis added).

The remainder of the plaintiffs' long report was a highly detailed and heavily documented school by school analysis of racial isolation in Thornton's schools during Phases A and B, and as projected under the board's Phase C plan. The burden placed on black students was documented and compared to the burden placed on white students. For example the plaintiffs charged that the board's plan would close two adjacent all-black schools whose attendance areas served over 2,000 minority students; the board's plan meant that these students "will have to attend school for all 13 years in a distant white neighborhood school"; no white neighborhoods were similarly burdened. Pointing to another proposed closing, the plaintiffs said that "the board is closing a facility in an integrated neighborhood, overcrowding a school, returning minority students to a segregated school, and leaving VIEP in place in the same complex feeder patterns disapproved by

the Court." (plaintiffs' response) As to the magnet schools, they were successfully desegregated but many of them were operating below capacity, and they tended to draw students from neighborhoods that were integrated. The Phase C proposal was condemned for proposing still more magnet schools, particularly in view of the plan's vagueness with respect to program components and projected costs of the new magnets. As to VIEP, it was hardly voluntary; rather it was "a device for compulsory assignment of students from closed and converted minority schools to white neighborhood schools..."

The plaintiffs acknowledged that they had "not undertaken a detailed analysis of costs and savings listed in the board's (Phase C plan)", but that they wished to submit some "caveats." First, the plan had failed to note that state aid would not be available for either transportation or operation in the preschool components of the five proposed Early School Centers; these costs would have to be borne from local funds. Second, the services cut during Phase B should be restored before new programs were undertaken. Third, the Phase C proposal made inefficient use of facilities: elementary children were being placed in facilities built as secondary schools; junior high school students were being assigned to buildings without suitable facilities, necessitating mid-day busing to buildings which had the proper laboratories and shops; and excessive money was being invested in rehabilitating one old school.

The Court's Orders

The plaintiffs' vigorous and detailed criticisms set the stage for what was to become a bitter and protracted series of courtroom hearings and closed-door negotiations that would last into the following summer. The plaintiffs' criticisms of the board's proposal, the board's attorneys said, reflected the plaintiffs' "negativism," their aversion to the "flexibility" which the board's plan included, and their preference for "mathematical mixings" of students.

Mid-winter hearings quickly became enmeshed in disputes in which the plaintiffs and defendants charged each other with presenting inaccurate or misleading information about the details of the board's Phase C proposal. Each party possessed enormous quantities of data and, as usual in an adversarial proceeding, each selected and presented data in a manner designed to lead the court to certain predetermined conclusions.

A second portion of the hearings focused on a counter-proposal prepared by an outside expert retained by the plaintiffs. As in the counterproposals preceding Phases A and B, the plaintiffs' plan centered on pairing and rezoning techniques which would have been relatively simple to manage, and which

distributed the burden of busing more equally between black and white students. The plaintiffs' plan also pointed out (though without supporting information) that the transportation system required by their plan was more efficient to operate than the one required by the board's plan. A two-day hearing on the plaintiffs' proposal was held; testimony focused on matters of equity and on the interior detail of the plan, with virtually no attention given to its financial ramifications. However the testimony did suggest that transportation under the plaintiffs' plan would involve less distance, less student travel time, fewer buses, and less cost (transcript). Board attorneys appear to have invested more energy in efforts to discredit the plaintiffs' planner than in attacking their plan.

By late spring the hearings had ended. Judge Green, evidently hoping to avoid the necessity of issuing another order, encouraged negotiations between the principal parties. The negotiations were held in secret. The principal issues, it appears, were strategic and political, not financial. Although it appeared, outwardly, that the dispute concerned the desegregation of the remaining four all-black schools—which the board's negotiators agreed would be desegregated in the future—reports of the negotiations sessions reflect division over three very basic issues: the timetable for completing desegregation, the type of monitoring that would be done, and the expansion of white busing into minority neighborhoods. A newspaper account characterized the situation this way:

> The impetus to negotiate is the conviction of lawyers for both sides that they may achieve more of what they want from bargaining than from a court-ordered plan, sources said.
> They said that an added burden for the attorneys for the defendant Board of Education is the fact that a negotiated settlement would require [a majority of] affirmative votes from the elected board members.
> The concern about board votes seemed to indicate that accord is possible among seven lawyers now taking active part.
> Busing of white children will remain the most sensitive issue.
> The alternative, if the lawyers cannot agree or the board will not accept a settlement, is a plan ordered by Judge Green. Such a plan takes only one vote.

Evidently the board was unwilling to retreat from its insistence upon a plan which could be made palatable to white constituents. One board member observed that the board already had severely taxed itself in gaining public support for the proposals included in the Phase C plan.

The power and significance of these constituents was being made evident in another setting. While negotiations over desegregation were proceeding in attorneys' offices, the school district's financial situation was being determined in city hall. An unexpected multi-million dollar windfall (resulting from a calculation error) in the city budget was being considered for the schools as a supplemental appropriation. More important, the mayor, once a critic of the schools, had become more supportive; he recommended approval of an unusually high proportion of the board's proposed budget. While we have no direct evidence of a connection between the budgetary developments and the stand-off in negotiations, it does seem reasonable to infer that the board had no particular incentive for settling the desegregation issue in a way which city officials would find unacceptable.

As the deadline for budget approval neared the political arena suddenly expanded: city officials adopted a budget which was contingent upon restoration of a just-vetoed special appropriation from the state legislature. The legislature's antipathy toward desegregation was well-known. While the funding problem nominally was the city's rather than the school board's, board members must have known that their actions on desegregation were of some interest to state-level politicians--particularly those dependent upon the votes controlled by politicians in Thornton. The board had no desire to arouse the legislature's ire.

Beyond all these considerations, the board had found on past occasions that Judge Green, faced with disagreements between the plaintiffs and defendants, usually tilted in the board's direction. In June, in the midst of stalemated negotiations, Judge Green once again favored the board, issuing an order which authorized the board to proceed with a slightly modified version of its Phase C plan. Virtually all of the proposed closings and conversions were approved. However the plaintiffs had objected to closing one all-black school which was old but "clean and sound and well-maintained" and which served an area in which more than 1,000 minority students resided. Judge Green directed that this closing be done on a "temporary" basis, with further hearings to be held on the ultimate disposition of the school.

There were additional changes. The court refused to approve the single ESC site which was in a white school. (One school official expressed considerable pleasure in the disapproval. The site had not been a preferred one, and was said to have been proposed because the board lacked the political power to gain support for a more appropriate site in a nearby black school. The distinction between the four black-school ESC sites and the white one had been carefully noted in court. As our source said, "we led the court by the nose." Now the onus of disapproval was on the court, preparing the way for TPSD planners to propose another site that they had preferred in the first place.)

Two additional changes from the initial Phase C proposal included (a) the disappearance, without explanation, of one of the proposed magnet schools, and (b) the transformation of another of the proposed magnets from a magnet "school" to a magnet "program." We do not know whether this change was prompted by the defendants or proposed by the court; however it does appear to have been precipitated in part by financial considerations. A new magnet school would have required new construction and also would have required attracting a racially-balanced population; designation of the school as the site for a magnet program avoided the need for construction and permitted a lower proportion of white enrollment. As nearly as we can ascertain, this was the first time in Thornton that special programming was proposed for schools that remained predominantly-black neighborhood schools.

Green's order also introduced some new components, evidently in response to the plaintiffs' demands. The definition of racial balance was somewhat tightened, requiring increases in the proportions of black students at formerly-white schools. There was to be a commission to monitor racial balance in the high schools, and feeder patterns were to be re-aligned to promote such balance. Negotiations were to continue.

The court's order, ostensibly precipitated by the district's need to proceed with planning for the fall semester, provoked an angry response from the plaintiffs. The plan not only further institutionalized features which the plaintiffs disliked; it left unresolved questions about the fate of remaining all-black schools. The plaintiffs threatened to appeal.

In mid-summer the board defendants responded in a massive way to the plaintiffs' latest objections. In a 200+ page submission to the court the plaintiffs were charged with a policy of "sabotage and subversion." They seemed to want, the defendants said, "coercive relief" and "forced solutions." They "enjoy no local support," "pit one segment of the community against another," and "promote false projections and impractical schemes." Dependent upon "peripatetic experts," the plaintiffs had proceeded "down a primrose path paved with unctuous and unconscionable sophistry." The defendants' report then presented a rationale for the entire desegregation effort, including Phases A, B, and C. First, it was noted, in contrast to most other cities which had undergone court-ordered desegregtion, there had been no acceleration in the rate of white flight from Thornton's schools. Thus the remedy utilized in Thornton <u>did</u> work; unlike others it did not precipitate the white flight which would make desegregation meaningless. Moreover the remedial options available to the school district had been "severely circumscribed" by the city's financial plight; there had not been funds to build facilities in neutral or integrated sites. "This fact of life," said the defendants, "taken by itself, is perhaps the most significant practicality that has hindered a more rapid

desegregation of the student population in this school district." Moreover, in the face of a declining economic base the schools, if they were to survive, had to compete with "a plethora of private and parochial schools that...have become even more tenacious competitors for the dwindling number of students..." The plaintiffs demanded a scheme whose instability was so obvious, the defendants said, "that further demonstration is unnecessary."

The bulk of the report consisted of a detailed review, school by school, of the progress made in reducing racial isolation during Phases A and B, and progress projected for Phase C. In response to the plaintiffs' charges of an inequitable burden, defendants pointed out that more whites than blacks rode buses at the high school level, and that in the magnet schools and ESCs it was white students who were bused into minority neighborhoods. Moreover it was not true that no elementary white students had been reassigned to formerly-black elementary schools; a few examples of the practice were listed. Finally, there was an elaborate rationale and defense of VIEP. It was flexible, and the flexibility in assigning students was what permitted the system to respond to demographic changes without having to undergo disruptive rezonings. Some of the complexity was due to efforts to avoid the need to move students from one school to another in the VIEP. Moreover the program provided a specific service: the VIEP coordinators helped teachers in the receiving schools as well as the parents of the VIEP participants. Finally, and most important, VIEP enjoyed the support of parents—evidenced by extensive testimonials included in the board's report.

There were two further matters. First, there were plans and options for dealing with the four remaining all-black schools—even though these students already had the opportunity to participate in voluntary desegregation programs. True, the board had not yet approved any plans for these schools, and their success would depend upon attracting students from outside the school system. However the board was committed to full desegregation. The Phase A and B proposals admittedly had been based on "promises" (rather than guarantees) by the board. But these had been fulfilled, and had been made in full knowledge that default "would result in fixed assignments."

Second, there was the matter of quality and strategy. The board's approach during the desegregation period had reflected a "carefully crafted educational blueprint." It was a "master plan" which had avoided "quick and easy solutions." It was "a template for a structure which would be permanent, stable, exciting in concept, and, above all, one which would provide a full measure of security and peace of mind."

Two weeks later Judge Green denied the plaintiffs' motion

to vacate his order permitting the board to proceed with its revised Phase C plan. Green acknowledged that many years had elapsed since his liability finding, and that while some segregation remained, steady progress had been made and that "a certain amount of the delay can be attributed to difficult practical problems confronted by the board, such as the financial difficulties of the defendants...." (order). Moreover the desegregation planners at last had acknowledged that desegregation of the remaining four all-black schools might be possible, even though no pledge to desegregate them had been made by the board of education. And while the plaintiffs' assertions about the inequities of the transportation burden had some force, they were not "so compelling as to warrant my withdrawal of approval from the board's plans for this school year."

In his order Green also gave approval to the alternative ESC site which the board offered in view of the court's previous rejection. Green also directed the board to come forward with a "list of priorities for major capital construction" so that there could be some clarification of the status of the school which the board had wanted to close but which had been permitted to close only on a "temporary" basis in the court's previous order.

Finally, and most significantly, the board was given four months to come forward with a specific proposal to eliminate the remaining four all-black schools in Thornton. Evidently there was to be a Phase D.

V. PHASE C IMPLEMENTATION

The full financial ramifications of the Phase C plan would not be ascertainable until the school year was well under way. However some of the financial aspects of implementation were apparent early in the year. Both revenues and expenditures were affected.

Revenues

In contrast to the initial implementation period of Phases A and B, the school district's financial situation was not so calamitous. At the time of Phase A, it will be recalled, city officials had made cuts in the district's operating budget appropriation. While the Phase C proposals were being heard in court the school board sent its annual budget request to the city. Included in the budget were the estimated local costs of the Phase C proposal already submitted to the court (but not approved by it). The budget request was only 2% higher than the previous year, although it was 10% higher than the previous year's appropriation. The city approved 97% of the request--a far higher

proportion than in preceding years. Perhaps the favorable treatment was due (school officials told us) to the enhanced esteem in which the district was held, or perhaps it was due to the city's slightly-improved financial condition. Whatever the cause the budget did increase by 8%. While that amount hardly seems generous in the face of 12% inflation, increased desegregation costs, spiraling energy bills, and pressure from employee unions, it did preclude the need for the drastic program and personnel reductions and for the deficit financing accompanying Phase B. (Inasmuch as the approved budget was 3% lower than requested, the board was obligated to announce some reductions. Some may have been paper positions requested but not previously filled. Others however were real, including some cuts in magnet school staff ratios, bringing them more into line with those prevailing in other schools.)

Prospects for improved state funding seemed good. The school finance litigation which had been pending at the time Phase B was initiated had been resolved in a manner which pointed toward increased state aid for Thornton and the other victorious plaintiffs. Moreover there was serious talk of state assistance for early childhood education programs; should this aid eventuate the new ESCs in Thornton would be beneficiaries. The ESC programs had proved to be highly attractive. A summer recruiting effort had been launched in both the city and the suburbs. Applications were such that a sixth center was established (at one of the remaining four all-black schools). Moreover, and to the enormous gratification of Thornton school officials, the number of applicants from the suburbs had exceeded the number of spaces available. Some of the suburban students would be among those counted for state aid purposes, and the state promised to pay for the transportation of these youngsters without waiting for the usual one-year reimbursement lag.

Finally, there was substantial federal money from the Emergency School Assistance Act (ESAA). At about the same time that the school board had submitted its Phase C plan to court the preceding November, a request for basic support from ESAA was being finalized for submission to Washington in December. The ESAA basic grant application, requesting $5.4 million, rested on the assumption that Phase C would be approved by the court. Support was sought for seven different "components" of Thornton's desegregation effort. These included administration ($360,000); supplies and instructional support services for the VIEP receiving schools ($350,000); specialized teachers, supplies and inservice training for the desegregated high schools ($860,000); training resources for "transitional" schools ($350,000); teacher aides, specialists, supplies, and training for schools involved in the Phase B plan ($1,200,000); the early school centers ($840,000); and follow-the-child support ($620,000). In subsequent negotiations the total request was chopped by $1.7 million. One-third of the reduction was in

the amount slated for the ESCs, which had not been approved at the time the negotiations were conducted. (Notes in the federal office file indicate that this cut was to be restored if the ESCs were approved, but we have no further information on this point.) Most of the remaining cuts were concentrated in staff development activities, which were routinely cut by 50% during negotiations. Even after the cuts, Thornton received $3.7 million in basic ESAA assistance.

A second ESAA application was for magnet school support. Funding in the amount of $3.4 million was sought, with specific requests for each magnet school. However when negotiations and hearings became bogged down in the spring, and the time for negotiating the Thornton ESAA magnet school budget arrived, there had been no court order, and so the newly proposed magnet schools were withdrawn. These withdrawals, coupled with cuts (especially for staff training) in the remaining schools produced an eventual grant of $1.7 million for old magnet schools during the first year of Phase C. The summer court order approved three new magnets, but these three had to get by without major federal assistance, relying instead upon other sources of funding.

The third ESAA proposal was for an "out-of-cycle" grant to be funded with reserves which the national ESAA office holds aside in anticipation of court orders which are handed down after the regular funding-and-negotiation procedures are completed. In Thornton's case, an out-of-cycle award of $0.8 million was provided; it included modest funds for the early childhood centers and for the magnet schools omitted in the first round of funding.

The grand total in ESAA funding then, was more than $6 million. While this amounted to less than 5% of Thornton's overall budget during Phase C, the funds measurably improved the system's capacity to meet the needs associated with desegregation.

Costs

Many of the costs which would be associated with the proposed Phase C program had been at least roughly projected and included within the school district's budget request to the city council. These costs included those associated with the closing of abandoned schools, some remodelling and renovation associated with the new magnet schools and ESCs, and some increased transportation costs. However two desegregation-related costs had not been adequately anticipated. One was an outgrowth of a decision made during Phase A. One of the two magnet programs instituted at that time was placed in a closed formerly-black elementary school. There had been problems with the site from the start--the principal one being that the magnet school served students in grades 5-12 in a facility that did not contain the specialized

facilities needed for high school students. Thus students had to be bused to another school for some of their classes. Nonetheless the school had successfully attracted white students. Indeed the success was such that additional space was needed. Shortly before Judge Green announced that Phase C would be required, the superintendent announced that the magnet school would be split, with students in the upper grades assigned to a building with more suitable facilities. The decision evidently was made in haste and was designed to solve three problems: overcrowding, lack of suitable facilities, and need to mainstream some special education classes. However the decision provoked an angry response from the magnet school parents, and a few days later, with the furor created by Judge Green's order requiring a Phase C plan, the decision to split the magnet school was rescinded. The matter remained unsettled all through the hearings and negotiations centering on the Phase C plan. Then a sudden proposal was made: an ESC would be placed in the magnet school, and the magnet would be moved to a high school which had been closed during Phase B. But the building was in bad shape. The building department's hasty estimate of renovation costs totaled over $2 million.

In the tense context of seeking a negotiated settlement of the desegregation issue, approval of the move was granted. It would facilitate the ESC project, make room for more white students in the magnet program (hence adding to the count of whites entering formerly-black schools) and also reduce the need to use adjunct facilities. The move was made. But later, when more careful estimates of renovation costs were made, the estimates more than doubled. The budget had not provided any funds for this renovation. Nor had the decision been made with enough lead time to permit repairs and remodelling during the summer. Thus when school opened the magnet school contained construction workers along with students and teachers--to the considerable and publicly-expressed dismay of the latter. A newspaper account contained these observations:

> It's the fourth week of school and the [Thornton Magnet School] still has no science laboratories. The roof...still leaks. Some children sit on the floor because they have no desks. Half the locker room showers don't work, plaster dust is everywhere, and the classroom acoustics are impossible. "It's the worst teaching environment I've ever had," said...a seventh-grade teacher.
> [The Superintendent said] the building will provide a permanent solution to many of the inadequacies teachers complained of when they were housed in [the former building] like the lack of an auditorium, cafeteria, and adequate classroom space. "I think the Building Department has done a remarkable job," he said. "All the magnet schools have had to

be reconstructed while classes were going on. The work on the early childhood centers hasn't been done yet either. But these schools were vital parts of the desegregation program and the moves had to be made."

Funds for the renovation were being sought. Some came from an unspent balance in the previous year's budget. Others undoubtedly were diverted from other scheduled renovation activities.

The second unanticipated expense cropped up in the transportation area. School closings, the new magnet schools, and the new Early School Centers, were viewed as "successes" in the Phase C, but each success created more students requiring transportation. Thus several thousand additional students had to be transported. While much of the increase had been anticipated, it had to be fully covered from local funds during the first year of implementation of Phase C, as state transportation aid operated on a reimbursement basis. The additional busing costs would not be reimbursed until the second year.

VI. CONCLUDING COMMENTS

Thornton school officials can hardly be characterized as enthusiastic proponents of desegregation. Their employer--the board of education--strongly contested charges of constitutional wrongdoing. When that battle was lost the board and its attorneys devised and implemented a legal resistance strategy which delayed the achievement of full desegregation. Four years after the board was found to have denied minority children their constitutional rights, some all-minority schools remain in operation. The battle still goes on. Meanwhile however, school officials have capitalized on the court's desegregation mandate, implementing new educational programs under the guise of desegregation, introducing improvements in school management systems, nourishing and enhancing the school district's image among community leaders, and mobilizing funds which might not have been available otherwise. Simultaneously, more and more of the district's schools have been desegregated. Thus school officials point with pride to their achievements, while the plaintiffs in the case point to the fact that the constitutional rights of many of Thornton's minority children remain to be vindicated.

Our inquiries in Thornton were designed to clarify the relationship between financial considerations and the desegregation process. What did we learn? First, the "cost" of desegregation never has been calculated in any objective fashion. The reason is simple: no one needed such a calculation. Whenever desegregation costs were calculated in Thornton, there was some particular purpose. When the district sought

court orders directing the state or the city to pay for desegregation, it was in the district's interest to exaggerate costs. When ESAA funds were sought, it was in the district's interest to attribute to desegregation some costs that had only a distant relationship to the court's orders. Rather than construing desegregation strictly, district officials construed it broadly so that it served a variety of objectives. Fostering all of this was a milieu that did not really want to know the actual costs of desegregation. The aldermen did not want to know; their lack of information saved them the pain of having to vote funds for desegregation. State officials did not seem to want to know either, probably for the same reason. Everyone disclaimed responsibility for desegregation costs. The board blamed the court, the city, and the state. The court contended that the constitutional mandate could not be compromised by the financial problems of the district. The city pleaded poverty. The state unsuccessfully sought to reverse the district court finding of state liability, thus freeing the state of financial responsibility for the remedy. Even the plaintiffs had no particular interest in fathoming the actual costs of desegregation (except when cost claims served as pretexts for delay). The plaintiffs were well aware of the fact that many of Thornton's cost estimates were motivated by efforts to mobilize city, state, or federal funds, and the plaintiffs had no reason to oppose such efforts inasmuch as favorable results could only help the schools. In short, in Thornton the meaning of a statement purporting to show desegregation costs can only be grasped by recognizing the particular political context in which the statement is made.

Second, contrary to our expectations we uncovered little evidence that costs (in the budgetary sense) played a significant role in the design and implementation of desegregation plans in Thornton. Components of desegregation plans were accepted or rejected on the basis of political, legal, pedagogical, and organizational criteria rather than on the basis of cost, per se. Thus, for example, the transportation costs associated with the magnet schools and with VIEP were very high, but the cost was deemed to be acceptable in terms of the board's overall commitment to voluntarism. Financial considerations were not insignificant to school officials. Economies associated with school closings, costs attached to new program commitments, and new revenue possibilities were matters of intense concern. But generally they arose <u>after</u> the desegregation plans were designed. Financial concerns tended to be consequences and correlates of the desegregation process, not determinants of it.

Third, the established budget process simply was not germane to the process of desegregation. The established budget process runs on a fixed schedule. The court runs on no schedule. Invariably its orders came after budgets were approved rather than at the point at which the budget preparation process was

under way. Thus, to the extent that court orders affected expenditures and revenues they necessitated changes in the budget, which thereby lost some of its value as a guide to action. The cycle of federal funding was even more out of kilter with the normal budget process, at least with respect to the large amounts of ESAA funding which Thornton received. Budget requests for ESAA funds had to be prepared long before the annual budget cycle was completed, but announcements of ESAA awards rarely came until the very last minute—long after program commitments had to be made. Magnet schools, for example, cannot be implemented overnight; long lead times are needed for renovations, staff recruitment and training, student recruitment and admission, and such mundane things as designing bus schedules. But Washington officials seemed unable to provide the necessary amount of lead time, creating high levels of uncertainty and finagling. (City and state funding agencies did not do much better. Delayed actions by the board of aldermen and the state legislature meant that the operating budget could not be set until early July, thus necessitating last minute changes in staffing plans for the impending school year.)

In short, it appears that the budget process and the desegregation process in Thornton were largely unrelated. Legal proceedings, agency calendars, and political interests conspired to assure that desegregation planning proceeded with only vague and belated recognition of its full implications for school district finances.

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WILLOW HILLS

I. THE BUDGETARY AND ORGANIZATIONAL CONTEXT

Willow Hills is an industrial community of roughly 550,000 people. Located on the east side of a major waterway, it is surrounded by farmland.

The Organization of the Willow Hills Public Schools

Smaller than the city of Willow Hills, the school district is headed by a board of seven members elected at large by residents of the school district. They serve four year terms without pay. The board has the responsibility for obtaining local funds and for ensuring that state laws and regulations are properly implemented. The board establishes the educational policy for the schools and appoints the school superintendent. The superintendent is responsible for the daily operations of the schools.

At the time desegregation was implemented, the Willow Hills Public School Department was divided into five separate divisions: business, management, instruction, student development, and administration. Each of these was headed by an assistant superintendent. These divisions were responsible for maintaining all programs and services. A superintendent's office, consisting of a budget officer, legal and legislative liaison, staff development and human relations director, and a media relations specialist reported directly to the superintendent on internal matters as well as matters concerning relations with other governmental bodies and community institutions. The treasurer's office reported to both the superintendent and the board.

In 1980 the Willow Hills' School Department was reorganized. The office of management and budget and the office of personnel services report to the superintendent. Offices of communications, legal services, and staff development and human relations were separated from budget and management and report directly to the superintendent. The legislative liaison, however, remained part of the budget office.

The department was divided into two broad components: support services and administration and instruction. Both elementary and middle and high school administrations were more highly differentiated resulting in more specialized responsibilities for administrators. Elementary schools were reorganized in accordance with new areas established in response to the federal court

desegregation order. Secondary schools were divided into middle schools and high schools.

Reorganization of the Willow Hills Public Schools reflects three major events of recent years. First the establishment of the budget office and the personnel office and the new lines drawn between these offices and departments such as treasury and assistant superintendent reflect the measures taken over the past four years to control spending. Secondly, the reorganization of the secondary schools reflects the transition to middle schools which took place in 1980-81. Thirdly, the reorganization of elementary schools is consistent with planning areas established in the desegregation plan.

The Budget

The Willow Hills' budget is divided into several different funds. These include the bond retirement fund, the permanent improvement fund, the food services fund, and the replacement fund. The largest and most important fund is the general fund. This fund operates the schools on a daily basis.

The general fund has three major sources of income: local taxes, state aid, and federal aid. Other revenues may be brought into the general fund. These include tuition charges paid by non-residents attending the Willow Hills Public Schools, interest from investments, and fund transfers.

The largest source of revenues is a general real property tax levied on land and buildings located in the school district. Businesses in the school district also pay a personal property tax levied on furniture, equipment, supplies, inventory, etc. The tax revenue is based on the assessed valuation of property in the district, multiplied by the tax rate expressed in mills. For Willow Hills, the tax millage has not changed since 1968. Revenue increases may be realized, however, through increases in the assessed valuations though this is limited primarily to real increases in the property tax base caused by new construction.

State assistance comes in the form of basic and categorical aid. Basic aid is allocated through an equal yield formula. This formula was geared towards equalizing state support throughout the state. In the past, low legislative appropriations have not provided for a full implementation of the formula. Willow Hills receives Disadvantaged Pupil Impact Aid. This is used to provide Title I type services in Willow Hills' secondary schools. The state also provides reimbursement for specifically approved programs such as adult education and transportation.

The state reimburses local districts for portions of both capital outlay and operational transportation costs. The cost of

new buses is reimbursed at 35% of the "ceiling price," i.e., the average cost of a new bus state-wide. Operational costs are generally reimbursed on either a per-mile or per-pupil basis, depending on which of these is considered to be more beneficial from the standpoint of the district. The conditions for reimbursement may be subject to legislative approval and are contingent on the current year's appropriation.

Federal aid is primarily categorical. This aid is not included in the general fund. A small amount of aid provided for the children of federal employees who attend the district's schools may be used on a discretionary basis. Recently Willow Hills has obtained funds from the Emergency School Assistance Aid (ESAA).

The Budgetary Process

Willow Hills' budgetary process is characterized as a "centralized approach." It is based on a calendar fiscal year. Beginning in the spring of each year the superintendent establishes general guidelines for budget preparation. These guidelines include target amounts for each program. The budget office forwards these guidelines to departmental administrators who prepare specific budgets for their respective departments. According to one budget officer, administrators are sent essentially two messages: (1) "do what you can within the targeted amount" and (2) "if you had more resources, what kinds of things would you like to do?" Departmental budgets are based on the estimated costs of maintaining existing programs or adding or expanding programs. These budgets are reviewed by the assistant superintendents and are then sent back to the budget office.

The budget office then calculates the requests and advises the assistant superintendents of how much reduction is necessary in order to balance the proposed expenditures and estimated revenues. Reductions are almost always necessary, as departmental administrators are advised to base their estimates on educational needs, rather than fiscal constraints. The Willow Hills school superintendent describes this process in the following terms:

> Historically, we base projections on requests from division and department heads for things they know should be provided for the boys and girls of Willow Hills. The people who make these requests are advocates for children, and they understand what is required for children to experience success in the large-city schoolhouse each day. Everything that's included among their requests is worthwhile, and defensible.
>
> Unfortunately, when we translate these requests into dollars and tax millage, we find it would cost more

than the administration could realistically recommend to the Board of Education. And so, before we go public with financial projections, we usually go behind closed doors and reduce the requests to the barest minimum.

The superintendent and cabinet may make further changes, consolidating and prioritizing items in the budget.

After the superintendent's approval, the "Tax Budget" is submitted to the Willows Hills Board of Education. The board holds public hearings on the budget. According to Willow Hills budget officer, the board's approval of the budget is fairly routine.

The board's approval, however, does not constitute an authorization to spend. That does not occur until an appropriation resolution is approved in January. The board-approved budget serves as the basis which county taxing authorities use for setting annual tax rates. Next the budget is submitted to the county auditor. This must take place before July 20. In the fall, the county auditor prepares an estimate of the resources required by the proposed budget. He then presents that estimate and the budget to the county budget commission which holds further hearings. The commission then authorizes the levies within the total amount approved by the voters.

The school superintendent is then notified of the commission's authorization. He may then issue additional guidelines for adjustment of proposed expenditures based upon the commission's authorization. If necessary, the budget office and assistant superintendents may make further revisions. The revised budget (appropriation resolution) is then submitted to the superintendent for final review. With the assistance of the cabinet, the superintendent prepares a final appropriations measure for presentation to the board which, after review and further revisions, officially adopts the budget. This usually takes place in January. If a resolution cannot be approved in January a temporary resolution to carry the schools through the early months of the new year may be passed. Official adoption by the board must take place before April 1.

The adoption of the appropriations resolution constitutes the authorization to spend. It is described in the following terms:

> An Appropriation Measure...is a dynamic financial planning document for the operation of the school system. It provides the financial guideline within which the schools are operated, personnel are employed, and materials and services are obtained. As estimated revenues increase or decrease and as programs are added, deleted, or modified, it may be revised by the Board of Education to reflect these changes.

Toward the end of each calendar year an operating balance is calculated which shows the difference between revenues and expenditures. If there is money left over, it is then added to the operating revenue available for the next year. Outstanding encumbrances are subtracted to project the unencumbered balance for the next year.

After the board adopts the appropriation resolution, specific budgets are sent to each department. Administrators closely monitor expenditures to assure a balanced budget. Department heads and principals receive expenditure control reports on a monthly basis. Specific procedures exist for inter- and intra-fund transfers.

Over the years, stringent constraints have been placed on spending. All expenditures are approved by the budget office. Financial officers have worked as members of purchasing committees to review expenditures and to suggest further reductions.

Current Financial Condition

Willow Hills was able to realize an unencumbered balance at the end of each year up until 1972. Beginning in 1973, expenditures began to equal and then exceed revenues. Willow Hills school officials attributed this to inflation and increases in the cost of vocational and special education. The unencumbered balance was expected to be exhausted by the end of 1976.

In 1975, the board created a study committee to review the financial condition of the district. Their report, released in January of 1976 projected increasing deficits through 1979. Even with certain cuts (including school closings, staff reduction and program cuts), an increase in the tax rate was required to keep schools open and maintain a balanced budget.

The voters, however, defeated proposed tax increases in the 1976 and 1977 general elections and major cuts were made in 1976 and 1977. These cuts included major reductions in administrative and teaching staff, maintenance and supplies. Educational programming was kept close to basic levels.

Willow Hills began school in 1978 with a small cash balance in the general fund. However expenditures exceeded revenues for the first seven months of 1978 creating a deficit opening balance for the month of August.

In June of 1978, shortly after the voters defeated another proposed tax levy increase, the Willow Hills Board of Education recommended a tax budget of $143.5 million. This included an additional $1.6 million required for special and vocational education and $5 million for implementing the court-ordered desegre-

gation plan. This budget continued the major cuts of 1976 and 1977. The previous year's appropriations resolution included revenues totalling only $116 million. Additional revenues however were possible through:

—An increase in the funding of the equal yield formula

—An increase in aid to disadvantaged pupils

—Recalculation of state aid based on property tax

—Late payment of back taxes

Even with these additional revenue sources, Willow Hills still faced a deficit of roughly $9 million necessitating an early school closing in November. This, in itself, would have had a negative financial impact, since the board would be responsible for paying unemployment in 1978 and providing additional school days in 1979.

That fall the board of education requested an emergency loan from the state to enable them to keep schools open through December 1978. In November, the state granted Willow Hills a loan of roughly $8.6 million. Conditions were established for repayment of the loan. A set amount would be removed from the general fund on an installment basis until the loan was finally repaid in May of 1980.

The loan conditions also required Willow Hills to maintain certain minimal staffing standards. A state audit conducted prior to the loan suggested these further reductions to bring the system to basic levels:

—A reduction of 86 classroom teachers

—A reduction of 31 principals (as contracts permitted)

—A reduction of student activity assistance from $40,000 to $3,000

—Savings to be accrued from a discontinuation of a school-run radio station

—Discontinuation of a television program .

—Elimination of 17 teacher aides

—Operating summer and evening schools on a paid basis

The state, however, deleted the teacher aide cuts and the cessation of summer and evening schools from the list. The state audit had found that Willow Hills already was at minimum levels

in several important areas. These included administrative personnel, secretarial employees, health staff, attendance officers, and school plant employees.

According to the Willow Hills school superintendent, "1979 proved to be a harrowing year in the financial operations of the schools." They began the year with a $2 million cash balance. On January 3, a $5 million payroll was due. Their request for a short-term loan from a local bank had been refused. According to the Willow Hills superintendent, "It was only through the efforts of the County Treasurer and other county and state officials, speeding up revenue collection and payment that we were able to meet our financial obligations through March." In March, the schools had another set-back when a proposed levy was narrowly defeated.

The board adopted an appropriations resolution in March that attempted to reduce expenditures by some $9.4 million: $4.2 million in specific cuts and $5.2 million by deferring a number of school days from 1979 to 1980. The board also implemented the following actions:

—Transferred permanent improvement fund and working capital fund monies to the general fund

—Borrowed $5.2 million from the bond retirement fund

—Received advanced state property tax payments

—Delayed payment of vendors' bills

—Restricted new obligations

—Obtained a $5 million short-term bank loan

In June 1979, the board adopted a 1980 tax budget totalling $142.3 million, $6.9 million more than projected revenues. This budget continued most of the cuts made in previous years. Compliance with the state loan conditions meant that staffing at state minimum levels also continued. The 1980 tax budget benefited from decreased expenditures and income from rentals due to the planned closing of some 30 schools through 1979 and 1980. The budget included no funds for the implementation of a desegregation remedy plan. A plan for Willow Hills had been approved by the Federal District Court. However, a stay had been granted while the case was on appeal.

Clearly, new revenue sources were required if the 1980 tax budget was to be approved. Possible alternatives were cited. These included an additional operating levy and potential increases in state aid. Other contingencies however indicated that expenditures as well as revenues might increase. These included continuing

inflation, pending settlement of a teachers' contract and the possibility of having to implement a desegregation remedy plan.

Towards the end of 1979 things began to look better for the Willow Hills Public Schools. In July the state legislature enacted a new state aid program that provided additional revenues for the school system. Also, the amount granted to the district for Disadvantaged Pupil Impact Aid was recalculated and the per-pupil amount was doubled. According to the Willow Hills treasurer, these revenues would produce an increase to the school system of roughly $10 million during the state's next fiscal year (July 1979 through June 1980).

Revenues from local property taxes also proved to be more helpful than expected. Speaking in November of 1979, one Willow Hills official said:

> Tax advances have been received from County taxing officials earlier than usual and interest earnings have built up appreciably. Also, tax receipts exceeded our estimates, and our cash flow and general fund ending balance will be quite healthy...

This additional income plus the stringent saving measures enabled the district to begin to balance its budget and repay the short-term notes. The $5 million bank loan secured on June 22 was repaid on July 12 and notes purchased through the bond retirement fund were repaid by December 1. The state also was being repaid on schedule and school administrators anticipated that the loan would be completely repaid by the May 1980 deadline.

Beyond this, the school system managed certain additional expenditures without exceeding their revenues. They successfully negotiated a contract with the Willow Hills Teachers' Union that granted a five percent increase in 1980 and a seven percent increment for 1981. They also implemented the desegregation remedy plan which had been ordered by the Federal District Court. The district had lost its appeal just weeks after the 1980 tax budget had been submitted. This budget, it will be recalled, contained no funds for implementation of the desegregation plan. (The 1979 tax budget though, did contain provisions for desegregation costs.) According to one Willow Hills school official though, "The financial ramifications of the desegregation implementation were considerably eased by the receipt of an Emergency School Aid Act (ESAA) Grant in the amount of $5,422,909 and a Civil Rights Act Grant in the amount of $473,566."

In January of 1980, the Willow Hills School Superintendent proposed a permanent appropriation measure of roughly $145 million. Although the district could anticipate some cash flow problems in the beginning of 1981, they were much more solvent than they had been the previous year. The superintendent attributed their

solvency to four causes:

—The cuts made in 1979 to balance that budget

—The increase in state aid

—Greater efficiency in adjusting to declining enrollments—tightening up organization within buildings and closing underenrolled schools

—Maintaining strict expenditure control, limiting all spending to absolute minimums

The new appropriations resolution provided for some program expansion including:

—Conversion to middle schools and four year high schools

—Graded course of study

—Some increased staffing

—Some new textbooks and instructional materials

Although these programs would mean some improvement in Willow Hills' education, they would not, in the mind of the superintendent, adequately provide for the complex educational needs of all students in the district. Further improvements were desirable.

The district also faced certain revenue uncertainties. First of all, the amount of ESAA aid for the next year was unclear. As the superintendent put it:

> We are a terribly understaffed urban school district. We were able to add about 260 people this year with ESAA funds. I have grave concerns about what will happen if we don't get at least as much ESAA funding next year...

There was also some question as to state transportation reimbursements. The state, which normally reimburses 35% of the cost of new buses deferred Willow Hills' request for reimbursement of its desegregation buses.

Federal desegregation assistance in 1980-81 was comparable to the 1979-80 allocation. It appears that Willow Hills will have a balanced budget for 1980. The state was repaid in May of 1980. Reimbursement for the desegregation buses is still outstanding.

In June of 1980, Willow Hills submitted a five-year program with their 1981 tax budget. This program was developed with the assistance of a 32-member advisory committee consisting of key

members of Willow Hills' civic elite. The five-year plan had two purposes: (1) to place the 1981 budget in the context of the system's long-term goals, and (2) to begin "the process that will eventually result in the recommendation of a millage amount for a levy."

The five-year plan contained the following goals:

--Improvement of pupil achievement and behavior (This included competency education, continuation of middle schools, overall evaluation and updating of general instruction, and the development of an in-school suspension program)

--Improvement of staff skills (This program contained a component for teachers to be relieved of some class time to participate in professional improvement activities)

--Securing more community support for schools

--Securing adequate funding (This entailed passing a levy which is not campaigned for with public funds. This component entailed no additional cost)

--More effective organization and management. (This involved some improvement of maintenance of equipment and facilities)

--Improvement of services for the multi-cultural pupil population

--Provision of a positive influence on the growth and stability of the city of Willow Hills

Costs were assigned to each of these goals for each of the five years. These costs were adjusted for both inflation and declining enrollment. However, calculations were geared to produce maximum estimates. A number of factors could effect the long-term budget. These included:

--Increased revenues (Possibly resulting from increased valuation of taxable property. The state currently was over-spending its budget and increases in state aid did not appear likely)

--Decrease in the rate of inflation

--Sale or lease of vacated school property (This was not expected to have a major millage effect)

--Phasing in of new programs

—Cuts in existing programs (The district was still at state minimum standards and the superintendent invited outside scrutiny to suggest further reductions)

—Prioritizing and reducing components in the five-year plan

For 1981, these programs were projected to cost $12.9 million. Including the costs of the new programs, the 1981 tax budget was projected at $165.75 million.

Two points are of interest with respect to desegregation and Willow Hills' current projections. First, transportation costs are identified only as total. No specific reference is made to transportation for desegregation. Secondly, the new projections contain provisions for maintaining programs currently funded by federal dollars, should these funds no longer be available. An adjusted cost figure for each component of their federally funded programs was computed for each year from 1981-85 and a corresponding millage increase also was computed.

II. KEY ACTORS: A SUMMARY

A number of individuals and groups have taken steps to facilitate or otherwise affect desegregation in Willow Hills. In this section we will discuss the role played by certain key actors with respect to desegregation finance.

The Willow Hills Board of Education

Though many board members opposed busing for desegregation, they resolved to implement the court order and signaled this position to school department officials. According to one Willow Hills official, "The Board set the tone" and communicated this to school department officials.

The Superintendent

The superintendent set forth clear guidelines for the development of the desegregation plan. Significantly, he required that each proposal conform to constitutional requirements and that the resources needed for implementation be identified.

The superintendent was a member of the planning committee which developed the various desegregation proposals and assumed responsibility for those proposals. He also took the responsibility for seeing that the proposals were properly submitted to the court and clearly presented to the citizens of Willow Hills.

According to a number of Willow Hills officials, the super-

intendent played a critical role in mobilizing the entire school department. Among other things, he organized communications within the department so that principals and other "line administrators" had clear information on the various plans and proposals. Because of this, principals were more willing to participate in meetings with parents and relieve part of this burden from the central administration.

The Willow Hills Planning Committee

This committee, consisting of 16 high level administrators, designed all of the plans submitted by Willow Hills to the court. This committee was created as a result of desegregation. Although financial officers were on the committee and were consulted in the process of developing a plan, they did not play a major role in determining the components of the plan. Cost figures were attached only after a particular component was designed.

The Willow Hills Monitoring Team

The monitoring team evolved out of the planning committee. The director of the planning committee and the chief designer of the Willow Hills desegregation plan became the head of the monitoring team. The monitoring team performs the dual functions of identifying desegregation-related problems and proposing solutions.

The Federal District Court Judge

The judge took certain actions that have had budgetary implications. First, he kept a close watch over cost estimations and required that the planners identify the resources to be used to support various components. Secondly, he delineated a realm of activities that were of high priority in developing a remedy. These included student desegregation (i.e., assuring that every school was ±15% of the proportion of minority students in the district). Other activities (e.g., educational programs) were of lesser importance insofar as desegregation was concerned. Thirdly, the judge set goals. The school department was free to devise the means for achieving those goals, within the limits of the Constitution and financial resources. Although the court has not been pleased with every action taken by the Willow Hills School Administration, the judge has expressed general confidence in school officials and their planning activities.

The Special Master

The Special Master conducted hearings and met formally and informally with local officials. Willow Hills officials feel the

Special Master has attempted to downplay his role. In their view, he restricted his activities to reviewing their proposals rather than taking an active role in shaping those proposals.. Willow Hills officials appreciate the Special Master's role and believe he has had a positive impact on the case.

The Special Master in turn expresses great confidence in the central administration and the superintendent. He also feels that the mayor and the city's civic elite have been very supportive and are committed to desegregation.

The State

The state's role is complex. In the initial district court finding, the state was found liable. However, the circuit court said there was insufficient evidence for such a finding and remanded the question to the district court. Prior to the circuit court's remand, the state played an active role in the planning process. The state developed a plan of its own and provided cost data and information on the availability of transportation equipment. Even though the state plan was found to have "met constitutional muster" the court rejected it and assigned primary planning activities to Willow Hills school officials.

The state board of education has proposed a number of measures to provide extended financial assistance for desegregation. These, along with some "normal" reimbursements, have been held up by the Joint Legislative Committee, a bi-partisan legislative committee that approves all categorical aid granted to specific districts. The question of state liability remains before the district court.

III. DESEGREGATION IN WILLOW HILLS

Desegregation first became an issue in Willow Hills in 1973. In the fall of that year, the local NAACP chapter filled a motion in Federal District Court to halt an $89.5 million construction program which, they claimed, fostered segregation in the public schools. However, in the spring of 1974, the plaintiffs withdrew the injunction motion and moved to file a full-scale segregation suit. Plaintiffs alleged that both the Willow Hills School District and the state had intentionally fostered and maintained a segregated school system.

Hearings were held throughout the spring of 1976, and in March of 1977 the Federal District Court found both defendants liable, and ordered the city and the state to prepare desegregation plans to be implemented in the fall of 1977. The judge also appointed a Special Master to assist in reviewing the various proposals. Following the submission of various plans, as well as appeals by both state and city defendants, a system-wide desegre-

gation plan was implemented in the fall of 1979.

The Early Response

In 1973 Willow Hills initiated a "voluntary" open enrollment plan and developed five alternative educational programs at selected schools to help foster integration. In 1973, the Willow Hills voluntary desegregation plan involved only 865 pupils. By 1977 over 5,000 students participated, roughly five percent of the total student body.

In the fall of 1973, school officials also organized a series of visits to school districts that had recently desegregated "to find out what they were doing, why, and what they had learned from the experience." These visits resulted in a "Planning Guide." Not a desegregation plan, this document provided a discussion of the various components of desegregation planning (e.g., facilities planning, finance, human relations, security and transportation), and a consideration of the roles key actors (e.g., board members, school superintendent, staff, community and students) should play in the planning and implementation of school desegregation.

Many of the ideas contained in this guide have become realities in Willow Hills, including community relations, teacher inservice, and human relations training for children. The report also detailed what other districts had done in the way of educational programming. The prospects of desegregation for improving education and other organizational components of the school system were not missed by the report:

> In preparing for the development of a desegregation plan, do something you always wanted to do but thought you could not. Few things remain sacred. For example, the grade organization could be changed to place grade 9 with grades 10-12 or you might wish to computerize an inventory of all furniture and equipment plus a complete facilities inventory.

Interestingly, in 1979 Willow Hills school officials proposed that a middle school grade reorganization occur simultaneously with secondary school desegregation. This included placing grade 9 with grades 10-12.

According to the manual, the superintendent and key school administrators were to play a critical role in the desegregation process. Not only is the superintendent responsible for coordinating the desegregation effort and mobilizing the entire staff in this process, he must also see to it that the desegregation plan is acceptable to differing interests in the community. However, "The real dilemma for a superintendent is to work out

the extent to which he can move forward on his own desegregation efforts."

The report also contained a discussion of desegregation costs. It stated:

> Desegregation costs money.
>
> Operating budgets require major adjustments to accommodate the additional cost associated with desegregation activities. Transportation is one major expense. For example, transportation costs rose from $21,000 (1971-72) to $1,900,000 (1973-74) in a school district comparable to Willow Hills. Additional costs included: organizational changes like an elementary school becoming a junior high school necessitating science labs; lowering the pupil-teacher ratio in desegregated buildings; adding personnel to the staff, such as a student-faculty advisor or a human realtions staff; additional trucks and personnel to change furniture and equipment before school starts; principal and staff time before school starts to get ready; and informing the public concerning desegregation efforts.
>
> Despite the additional costs, state aid often decreases due to the loss of pupils through white flight.
>
> Further complicating the picture is the composition of the budget which almost necessitates the additional cost be balanced by personnel cuts.

Potential new sources of revenue were also discussed. According to this report, though, these would not offset the additional costs. Moreover, federal aid though beneficial in some respects, was not without its problems:

> Attempts to secure outside sources of funds are not without major concern. Though experiences with ESAA funding have been less than universally gratifying, it has been used as an important funding source for such activities as: math and reading programs; curriculum development in ethnic heritage; college preparatory upward bound; workshops for professional and classified personnel; and staffing the human relations office. Concerns associated with ESAA compliances and guidelines plus continuity of funds have proven minimal for some districts while overwhelming for others. Dissatisfactions have prompted one school district to consider returning over $1 million in ESAA funds.

In one site they were warned to "be watchful of ESAA guidelines and compliances. They always keep pushing for something more. They are difficult to work with." Nevertheless, the uses of ESAA funds were reviewed by the report and some of these became components of the various remedy plans ultimately submitted by Willow Hills.

Post-Liability Response

Following the liability finding, the Willow Hills Board of Education authorized the establishment of a desegregation planning committee consisting of 16 high level administrators and the superintendent. This committee was to develop a plan for submission to the board. The plan was to address the following concerns:

—To meet the specific requirements of constitutional law

—To be sound from an educational standpoint

—To identify human, material, and financial resources required for implementation

Community meetings were held throughout the spring of 1977 and in June a plan was submitted to the court.

This plan was geared towards eliminating all racially identifiable schools. Some rezoning and clustering was entailed. The plan also provided for the closing of 29 schools (23 elementary schools, four junior high schools, and two high schools). Some 40,000 students affected by the closings would be reassigned to desegregated schools. Criteria on which specific schools were selected for closing included building capacity, enrollment trends, maintenance costs, alternate uses, and desegregation potential. The plan also included an expansion of the voluntary busing plan and a number of educational programs such as career centers, and alternative and specialized programs. The plan was to be phased in; elementary grades in September 1977, junior and senior high schools the following January.

A budget submitted with this plan included the costs for both September and January implementation as well as continuation costs for Phase III, total implementation in September, 1978. School officials estimated that the total plan would cost $33.4 million, resulting in a $23 million increase in local expenditures. The largest expenditures were in transportation ($10.5 million for Phase I; $4.3 million for Phase II; and $.35 million for Phase III) and education programs ($5.5 million for Phase I; $6.5 million for Phase II and $2.7 million for Phase III).

School officials indicated that additional funds were being sought to help offset the cost of the plan. They cited a proposal for increased state aid currently before the legislature. The board also had asked for state reimbursement for transportation costs. Efforts also were underway to obtain external funding from private foundations and the federal government. The plan included a proposal to use CETA workers. These funds would not, however, offset the total costs of the remedy plan. If further assistance was not forthcoming, their schools might have to be closed early in 1977 in accordance with state law. As the school department informed the judge:

> The Willow Hills School District has insufficient funds to even maintain present operations. If additional funding from state, federal, local, or private sources, as described above, is not available in an amount sufficient to sustain operations and fund this remedy plan, the only alternative left will be to close the schools. If Phase I of the remedy plan is implemented in September, 1977, the estimated September through December cost would be approximately $6.5 million. This cost with the currently estimated deficit of $3.8 million could cause the closing of the Willow Hills School District on or about December 10, 1977. Even if schools could remain open throughout 1977, the added costs could require the closing of schools as early as October 31, 1978, without additional funds. Such school closings are required by...State (law).

The state proposed a student and faculty reassignment plan devoid of the educational program components included in the Willow Hills plan. It called for the transportation of an additional 37,000 students. This required 321 new buses, 100 less than the number required for the Willow Hills plan. The operating costs of implementing the state plan were projected to be roughly $8 million per year. This included the cost of bus drivers and bus monitors.

Both plans were criticized by concerned citizens' groups in the community. The Willow Hills plan, it was charged, allocated the costs of regular education to desegregation, inflating the desegregation budget. The Willow Hills plan also was criticized for failing to include the savings that would result from school closings. Comparing the costs of the two plans did not prove useful either.

> The dollar costs and numbers of students to be transported in the Willow Hills and State plans cannot be compared since each plan used different cost categories and was predicated on different assumptions of who will be bused. To date, neither

plan is based on studies and recommendations of transportation experts.

In the meantime, two other plans were submitted to the Federal District Court. A majority board plan based on the Supreme Court's Dayton, Ohio decision was developed. This plan desegregated only those schools specifically mentioned in the judge's liability finding. Only 4,000 students would be involuntarily bused and only 30 new buses were to be purchased.

A "minority" board plan also was "leaked" to the court. This plan called for transporting nearly as many students as the initial plan, but at a projected cost of only $2.8 million.

After further hearings, the judge rejected the proposals of both Willow Hills and the state. Although the state plan, according to the court, passed constitutional muster, it "presented problems in the area of pupil reassignments and in the area of organization changes in the schools." The court criticized the state plan because it called for more transportation than the Willow Hills plan (and did not achieve greater desegregation) and because it contained too many small school facilities.

According to the judge, neither the original Willow Hills submission nor the amended majority plan were within constitutional limits. The original plan contained too many identifiably white schools. The defendants had attempted to justify this plan on the grounds that the time and distance of student transportation could be minimized and that the plan would therefore be less of a financial burden. Comparison with the minority plan, however, indicated that there would be "comparatively minor savings of travel time." Moreover, the judge speculated that even though the transportation time and distance might be longer in the minority plan, that plan would require the transportation of fewer students and might ultimately be less expensive.

Although the court felt that alternative schools could be a legitimate part of desegregation plans and although such programs certainly may be educationally sound, the judge did not think that they contributed significantly to desegregation. The board was free to initiate these programs. They were, however, of a lower priority than the student desegregation plan.

Expressing faith in the Willow Hills school administration, the judge called for "renewed planning efforts." According to the new timetable, reassignment of elementary students was to take place in January 1978, while secondary school students were to be reassigned in September 1978. The court also ordered the defendants to take steps to ready some of the programs in the original submission including parent-student participation, community information, multi-cultural curriculum development, and a reading development program. Noting the considerable discrep-

ncies between the various submissions with respect to transportation costs, the court ordered "an intensive and detailed analysis of transportation requirements and alternatives," including safety and security measures. The court acknowledged ESAA funding requirements and asserted that "Nothing contained in this order shall require that the new plan be drawn in a fashion which would disqualify the defendants from eligibility for such funding." The plan was to be system-wide.

In response to this order the Willow Hills defendants hired an outside consultant to analyze transportation requirements. The firm determined the transportation needs for a phased plan as well as for an alternative plan in which complete implementation would take place in the fall of 1978.

According to this report, system-wide desegregation required major changes in the Willow Hills transportation system. In the 1976-77 school year, the Willow Hills School Department transported some 17,372 pupils on 222 vehicles. Roughly 5,000 of these students were transported as part of the voluntary desegregation plan. Willow Hills buses also transported non-public school children and special education and handicapped children. According to this report, system-wide desegregation would require substantial increases in the number of students to be used: from 4,000 to 21,000 at the elementary level; 3,000 to 10,000 at the junior high level and 800 to 11,000 at the high school level. Through the use of staggered starting times and repeat trips, the transportation consultants projected that a total of roughly 200 new buses would be required.

The procurement of additional buses for January implementation was, however, a problem. New buses would not be available and older buses were not dependable. The use of a contractor also was problematic. A potential contractor had refused to provide an estimate for their services. The consultants said that using a contracted carrier would likely be quite expensive.

The consultants recommended hiring 200 additional part-time drivers, 15 new bus mechanics, six new service employees and six more supervisors. The additional operating costs were broken down as follows:

Labor Costs	
21 Mechanics and service employees	$ 289,000
6 Supervisors	92,000
Planning staff increment	51,000
200 Additional part-time drivers	1,343,000
	$ 1,775,000
Other Costs	
Fuel and supplies	$ 488,000
Outside maintenance	30,000
Insurance	37,000
	$ 2,330,000

Bus maintenance and storage costs were to total $603,000. Potential security costs were acknowledged but not calculated. Coupled with an already existing transportation budget of roughly $2.7 million, with desegregation, the total operational costs of transportation were projected at close to $5 million.

In August the Willow Hills Board submitted support components for the desegregation plan. This plan included pupil and staff orientation, multi-cultural curricula, and a reading development program. These costs were broken down as follows:

Program	Budget 1977-78	1978-79
Pupil Orientation—Elementary Level	$20,156.00	$ 0
Pupil Orientation—Secondary Level	17,990.00	0
Multi-Cultural Curriculum—Elementary Level	26,030.00	0
Multi-Cultural Curriculum—Secondary Level	32,800.00	0
Staff Orientation	103,780.00	119,466.00
Community Orientation and Information	142,477.00	129,283.00
Reading Development	3,320,067.00	3,460,652.00
Total	$3,663,300.00	$3,709,401.00
Two Year Total		$7,372,701.00

According to Willow Hills officials, this component of the plan could not be implemented without outside funding. They reported that they were seeking assistance from the federal government as well as from private foundations.

Later in August, the board submitted its pupil transportation and reassignment plan. The plan projected that an additional 20,609 elementary students would have to be transported in January and 20,878 junior and senior high school students in September.

Two budgets were constructed for this plan. The first, based on a phased implementation with elementary desegregation taking place in January and secondary desegregation occurring the following September was reported as follows:

Expenditure Category	January 1, 1978 Amount	September, 1978 Amount	Total
Transportation Equipment	$ 2,073,005	$ 2,518,236	$ 4,591,241
Transportation Personnel	1,777,569	2,619,074	4,396,643
Transportation Capital Improvements	971,000	0	971,000
Transportation Operation and Maintenance	1,999,023	4,356,135	6,355,158
Other Equipment	353,300	150,000	503,000
Other Personnel	94,204	137,898	232,102
Elementary Pupil Orientation	20,156	0	20,156
Secondary Pupil Orientation	17,990	0	17,990
Elementary Multi-Cultural Curricular Development	26,030	0	26,030
Secondary Multi-Cultural Curricular Development	32,800	0	32,800
Staff Orientation	103,780	119,466	223,246
Community Orientation and Information Services	142,477	129,283	271,760
Reading Development	3,320,067	3,460,652	6,780,719
Total	$10,881,401	$13,460,744	$25,037,420

Total September implementation was projected to be considerably less expensive.

Expenditure Category	Cost
Transportation Purchased Services	$ 300,000
Transportation Equipment	2,749,390
Transportation Personnel	2,619,074
Transportation Capital Improvements	971,000
Transportation Operation and Maintenance	5,476,284
Other Equipment	203,000
Other Personnel	137,898
Elementary Pupil Orientation	20,156
Secondary Pupil Orientation	17,990
Elementary Multi-Cultural Curriculum Development	26,030
Secondary Multi-Cultural Curriculum Development	32,800
Staff Orientation	223,246
Community Orientation and Information Services	142,477
Reading Development	3,658,652
Total	$16,578,277

Transportation costs were estimated in the following way. For January implementation the board would have to purchase 315 used buses at an average cost of $5,300 apiece (including necessary repairs). This totalled $1,669,500. The district also would have to purchase two-way radios for each bus and new service vehicles. The total equipment costs for January implementation were estimated at $2,073,005. The state could reimburse 35% of the depreciated cost of the buses. According to Willow Hills officials, state reimbursement could range from zero to $1,255,277.

Needed personnel were projected to cost $1,777,569. These included 190 drivers totalling $698,440. Automotive workers totalled $172,280. Administrators and clerks came to $112,495. Finally the plan included 40 certificated pupil personnel specialists costing $795,684. Capital improvements, including bus storage and new land acquisitions were projected to cost $971,000. Total operating and maintenance costs were projected at $2,782,215. However, Willow Hills was eligible for state reimbursement of their operating costs. This was expected to total $783,142.

September implementation required purchasing 213 new buses totalling either $4,068,300 or $3,879,795 depending on whether two-way radios were purchased in January. State reimbursement of 35% was to reduce this cost slightly over $1 million. The net cost for new buses for September implementation could thus range from $2,435,101 to $2,624,660. If the January plan were implemented, the district could also expect to realize a trade-in value on the 315 used buses totalling $567,000. Including other equipment costs, September implementation would cost $2,518,236 if it was preceded by implementation of the elementary plan in January and $2,749,390 if it was not. Major savings of a September implementation could thus be realized by not purchasing the used buses.

In late September the Special Master conducted hearings on the desegregation budget. A number of errors were found in the Willow Hills proposed budget and a revised budget was developed and submitted to the court.

In the original budget, the costs of transportation operation and maintenance were overestimated. Instead of projecting the estimate on a per pupil cost of $35 for September implementation and $38 for January, figures of $135 and $140 were used. Transportation equipment costs for September secondary implementation also were overestimated. This was due to the inclusion of unneeded radios. There also were certain "unexplainable" calculation errors.

Certain other costs were underestimated. Increased fringe benefits required higher estimates of personnel costs for both the support and transportation components of the plan. Upon reconsideration, school officials also found that certain of the

support programs would require increased personnel. No specific explanation was given for the rather sharp increase in elementary multi-cultural costs.

The need for contract buses and computer consulting services accounted for the inclusion of a new category in the revised budget—"transportation purchased services." Some changes were due to shifting into other categories. For example, funds were transferred from "other equipment" in the unrevised budget to "transportation purchased services" in the revised budget.

According to the revised figures, the net total cost of desegregation would be reduced for both the phased and September implementation schedules. The total for a phased implementation was estimated at roughly $19 million (compared with an original estimate of $25 million) while a September implementation would cost roughly $12.3 million (compared to $16.6 million). These estimates included projections of state reimbursement for transportation operating expenses. However, the bus purchase reimbursement was not included. The district did acknowledge that reimbursement was expected although the amount was as yet undetermined.

Both the revised and unrevised budgets indicated that total implementation in September would be less costly than a phased schedule. School officials argued that total implementation in September would be roughly 35% less expensive and, for this reason, requested a delay on the implementation of the elementary plan in January. They proposed to desegregate all grade levels the following September.

It should be noted that although a January implementation required additional transportation equipment costs, a good portion of the difference between the phased schedule and the total September schedule was in overall operating costs, i.e., transportation operation and maintenance, personnel and support programs. In this sense, a September implementation was less expensive largely because there was not total desegregation taking place in January.

Following the submission of this plan, the state filed a memorandum in support of the student reassignment component. The state also conducted an independent study of the availability of transportation for implementation of the elementary plan in January which supported Willow Hills' concerns about the availability of new buses and agreed that using old buses was more expensive and less dependable.

The plaintiffs also approved the student reassignment component. The plaintiffs, however, questioned the transportation cost projections and the contentions of both Willow Hills and the state about the availability of used buses for a January implementation.

Comparison of the Unrevised and Revised Budgets for the Phased and Total September Implementation Schedules

	January		September		Total September	
	Unrevised	Revised	Unrevised	Revised	Unrevised	Revised
ansportation						
sts						
rchased				693,600		843,600
Services	316,320				2,749,390	3,131,736
uipment	2,073,005	2,073,005	2,581,236	2,251,501	2,619,074	2,717,754
rsonnel	1,777,569	1,780,830	2,619,074	2,717,754		
pital					971,000	971,000
Improvements	971,000	971,000	0	0		
eration and					5,476,284	1,576,506
Maintenance	1,999,023	721,315	4,356,135	1,576,506		
her					203,300	203,300
quipment	343,300	203,300	150,000	0	137,898	138,118
her Personnel	94,204	94,354	137,898	138,118		
pport Costs						
ementary Pupil					20,156	20,156
Orientation	20,156	20,156	0	0		
condary Pupil					17,990	17,990
Orientation	17,990	17,990	0	0		
ementary Multi-					26,030	446,040
Cultural	26,030	446,040	0	0		
condary Multi-					32,800	32,800
Cultural	32,800	32,800	0	0	223,246	223,246
aff Orientation	103,780	103,780	119,466	119,466		
mmunity and						
Information					142,477	142,477
Services	142,477	142,477	129,283	129,283		
ading Develop-					3,658,652	3,658,652
mental Program	3,320,067	3,320,067	3,460,652	3,460,652		

After further hearings the court granted Willow Hills' request for a delay of the implementation of the elementary school plan. The judge however was not convinced by all of the documentation produced by the defendants. The judge's decision is worth quoting:

> The Willow Hills defendants have expressed a strong preference for purchasing new buses rather than purchasing used ones or leasing vehicles. The Court accedes to this preference as a matter of deference to a management decision of the Willow Hills Board of Education, but the Court cannot find on this record that used or leased vehicles are in any way detrimental to the safety of children. Any vehicle used to transport school children in this state must be inspected by the State Highway Patrol and certified to be safe.
>
> The Court has doubts concerning the need for a complement of 210 additional vehicles for elementary implementation alone. The Willow Hills defendants' report indicates a need for 210, 65-passenger vehicles for elementary implementation in January, yet indicates a need for only 3 more such buses for combined elementary and secondary implementation in September. It would seem that a staggered starting schedule and wise use of the vehicles the Willow Hills Board already owns would have allowed implementation at the elementary level with substantially fewer additional vehicles.
>
> In the July 29 order, the Court required defendants to submit detailed reports concerning the availability of new, used and leased buses. The reports which have been submitted in response to that order are in my judgment shallow, conclusory and only marginally responsive to the terms of the Court's order. Neither report seriously explores the availability of leased vehicles for a January implementation. Both reports assume, without adequate documentation, that no expedited arrangements with manufacturers and suppliers of new buses are feasible. The Court is not convinced that such vehicles are unavailable for January. On the other hand, the evidence of record does not permit the conclusion that the new vehicles can be available in January 1978 with the high degree of certainty needed to justify an order dependent on such availability.
>
> The evidence presented at the latest hearings simply fails to answer many of the Court's questions. Although the plaintiffs voiced strenuous disagreement

with the defendants' contentions, they failed to present evidence which the Court finds effectively rebuts the defendants' arguments. Although the sole witness called by the plaintiffs testified concerning the possible availability of approximately 150 buses by January 31, 1978, and an additional 50 buses by the end of February (if an order was placed by September 30, 1977), the Court does not find this testimony sufficient to establish the degree of certainty necessary for this Court to proceed with a January implementation.

Even though several witnesses testifed that a January implementation is possible, these witnesses also expressed a need for thorough and far-reaching planning and preparation. Delaying implementation from January to September would undoubtedly provide sufficient time, including the summer months, for this work to be done. A January implementation, on the other hand, remains clouded with uncertainty.

Notwithstanding my belief that a January elementary implementation is in fact still possible, I recognize that adhering to that goal would place defendants under severe time constraints. There is no question that January implementation would place a much greater administrative burden upon the staff than would September.

The principal impediment to an effective elementary implementation in January appears to be time. The lateness of the hour is perhaps in some part attributable to the caution with which the Court has proceeded during the remedy phase of this litigation. I am acutely aware of the broad impact of this litigation upon the community as a whole, and I do not apologize for proceeding with great caution. There was no unreasonable rush to judgment in this case, and there should be no unreasonable rush to remedy.

Throughout the entire course of this litigation the Court has attempted to act as quickly as is reasonably possible being mindful that the constitutional rights which this case concerns are of the highest priority, but it should be remembered that a January elementary implementation would directly affect only a portion of the students in the Willow Hills Public Schools, and would affect these grade school students only for half of the school year. When balanced against a more orderly and better planned fall implementation, one which is not encumbered by so many questions and

expressions of doubt, the January implementation does not in my view merit the substantial risk of getting the desegregation process off on the wrong foot.

For these reasons, the request of the Willow Hills defendants that the reassignment of elementary school students be delayed from January 1978 to September 1978 will be granted. The reassignment of pupils at both the elementary and secondary level shall be implemented in September 1978.

Significantly, however, the court's decision was not based on the district's contentions about the additional costs of a phased schedule (which the court viewed quite suspiciously) but on the added administrative burden that would be required by a January elementary implementation and the consequences of this for the successful implementation of the plan.

The court approved the student reassignment plan. The judge, however, did not feel that all of the personnel costs were justified. Specifically, he questioned the need for 40 certificated pupil personnel specialists included under transportation personnel costs. The pupil personnel specialists had been recommended as an alternative to bus monitors. They were to be stationed at specific schools and could double as visiting teachers. Given the current budgetary crisis the number of visiting teachers had been substantially reduced. The court asserted that it

> ...does not wish to substitute its judgment for that of the defendants and presently sees no reason to order that such personnel specialists not be hired; however, if the primary reason for the amount of salary they are to receive is compensation for service as qualified visiting teachers, it appears unreasonable to charge all of their salary expense as necessary transportation expense.

Willow Hills was ordered to develop a re-examined and revised budget for all components of the desegregation plan.

In response to the court order the defendants produced a revised desegregation budget for the next two academic years. The budget was constructed in terms of five components: pupil reassignment, administration, pupil information, community orientation, and reading development.

For each component of the plan, a total and out-of-pocket expenditure projection was computed. The total cost represented the total amount attributable to the desegregation plan. Out-of-pocket costs represented expenditures over and above current levels. This included additional personnel and new supplies and materials. This budget included the projected revenues resulting from proposed school closings and projected state reimbursements for transportation capital outlay and operating costs. These projected expenditures and revenues were reported in the following manner:

Summary

Item	1977-78 Costs (10 months) Total	1977-78 Costs (10 months) Out of Pocket	1978-79 Costs (12 months) Total	1978-79 Costs (12 months) Out of Pocket
Revenue				
Transportation operation	$1,124,661	$1,124,661	$1,783,941	$1,783,941
Total Revenue	$1,124,661	$1,124,661	$1,783,941	$1,783,941
Expense				
Pupil Reassignment				
Bus Operation	$4,256,016	$4,250,006	$4,076,050	$2,892,958
Bus Maintenance	1,544,829	1,527,472	585,725	430,064
Data Processing	52,012	52,012	115,304	115,304
Administration (including Pupil Personnel Specialists)	275,094	154,172	1,360,155	1,194,044
Pupil Information, Staff Orientation, Multi-Cultural Update	524,284	355,042	0	0
Community Orientation and Information Services	97,860	97,860	108,715	108,715
Reading Development	1,529,845	267,748	2,772,102	1,028,718
Total Expense	$8,279,940	6,704,312	9,018,051	5,769,803
Savings				
School Closings	$ 0	0	1,275,000	1,275,000
Total Savings	$ 0	0	1,275,000	1,275,000
Total Net Expense	$8,279,940	6,704,312	7,743,051	4,494,803
Total Net Cost (Total Revenue less Total Net Expense)	$7,155,279	5,579,651	5,959,110	2,710,862

A capital outlay of $3,879,795 was projected for 213 new buses and $240,750 was projected for safety and security equipment. The capital outlay was to total $4,120,545. Based on a standard reimbursement of 35% of a bus' ceiling price, Willow Hills could expect to realize $1,174,661 in revenues from the state.

Total operating costs for the pupil reassignment plan were projected to be $4,256,016 in 1977-78 and $4,076,050 in 1978-79. Based on a $43 per pupil state reimbursement, the district could expect to realize $1,124,661 in 1977-78 and $1,783,941 in 1978-79 as reimbursement for operating expenses.

The state responded to this budget with general approval. They agreed with the district's transportation estimates. The state did propose some minor adjustments based on bid changes. More importantly, the state board of education proposed to increase the transportation capital outlay reimbursement to 100% of ceiling price resulting in a subsidy of $3,714,318 for 213 new buses being purchased for the 1978-79 school year. Any reimbursement however, would have to be approved by the Joint Legislative Committee.

The state also questioned the relevance of the pupil personnel specialists. Although the state acknowledged that their earlier plan had included bus monitors, subsequent testimony, they claimed, indicated that bus monitors would not be required. On this basis, the state questioned the necessity of the pupil personnel specialists and suggested that they be returned to regular teaching as soon as possible. The state also questioned the extent to which the reading program was truly warranted by desegregation and suggested that the other of the proposed support programs would qualify for federal funds.

Implementation preparation continued throughout the 1977-78 school year. This involved bus purchases, the hiring and training of bus drivers, pupil orientation and teacher inservice. At the same time, both the city and state defendants appealed the district court's decision. In the summer of 1978, an appeals court found that there was insufficient evidence for a finding of state liability and remanded that question to the district court for further deliberation. Because of the recent Dayton, Ohio decision, Willow Hills was also granted a stay on implementing the student assignment portion of the remedy plan that fall. As one school official put it, the district then went into a period of "hibernation" with respect to desegregation. All plans to implement the student assignment plan for the 1978-79 school year were halted.

In July of 1979, the Federal District Court's order with respect to Willow Hills' student assignment plan was upheld. The district court ordered the implementation of a remedy for September 1979 and issued additional guidelines for these updates. The Willow Hills defendants were to update their 1977 plan.

In late July, school officials submitted an updated version of the plan to the court. The key points of this submission included a phased implementation schedule in which elementary schools would be desegregated in 1979, with secondary desegregation taking place simultaneously with middle school reorganization in 1980.

Willow Hills officials attempted to justify a phased approach on the following grounds. Elementary desegregation in the fall of 1979, they argued, would provide a "substantial remedy." Further, they claimed that simultaneous implementation of secondary school desegregation and middle school reorganization would minimize the extent to which secondary school students would have to be reassigned two years in a row. Beyond that, they argued that attempting complete desegregation in the fall would disrupt educational activities and negatively affect the implementation of the plan.

> If the Court orders implementation of a desegregation remedy plan at all grade levels in September, 1979, serious sacrifices will have to be made in the educational program and in the orientation of pupils, staff and the community. Special problems at the secondary level--relating to such things as reorganization for middle schools, scheduling, and participation in extra-curricular activities--will have a negative impact on the orderly implementation of a remedy plan.

Willow Hills also argued that total implementation would be hindered by the fact that preparations conducted in the spring and summer of 1978 had not been scheduled in 1979 and that many students and teachers would not have benefited from the support programs.

Other than this, the 1979 update contained essentially the same components as the 1977 submission. Specific modifications based on enrollment changes over the past year were incorporated in the updated plan. The plan scheduled for implementation in 1978 had been developed in 1977 and was based on 1976 enrollment figures. The update was based on 1978 figures. The one year update thus had to accommodate two years of enrollment changes. In two years, the district-wide percent black had increased 3.8%. Overall enrollment had decreased. Adjustments in the plan had to be made to accommodate these factors. Because of these adjustments, many students were now impacted who had not received support programs in preparation for 1978 implementation. These students would require such services in 1979.

The student assignment plan was to be carried out with district funds. In preparation for implementation in 1978, the district had purchased 213 new buses at a cost of $3.5 million. Based on the state reimbursement of 35% of the ceiling price, the

district expected a total reimbursement of $1.19 million.

Operational costs for 1979-80 were expected to total $4.4 million. Of this, $2.1 million was already part of their operating budget. The 1980-81 operating budget was estimated at $5.3 million, a $2.55 million increase over the 1980-81 projected budget. These estimates were based on the phased implementation of the plan. Of this, the district expected a reimbursement of $2.16 million for 1979-80 and $2.3 million reimbursement for 1980-81.

The updated plan also contained a continuation of most of the support programs included in the 1977 submission. Without additional financial support, and given the state loan conditions, these programs could be maintained only on a scaled-down basis. Normal services and programs implemented in preparation for a 1978 plan in the areas of student and staff orientation, multi-cultural curriculum, human relations and staff development would be continued. They were expected to total roughly $.64 million in 1979-80 and $.7 million in 1980-81. Other support services were proposed if federal funds became available. These included safety and security services, pupil assistance teachers, staff restoration and reading development. They were projected at $5.9 million for 1979-80 and $6.3 million for 1980-81. Willow Hills officials claimed that the district did not have the funds to implement these programs and asked the court to order the state to pay the full costs of desegregation.

Approximately one week after its submission, the federal court approved the student assignment plan. It rejected Willow Hills' request for a phased implementation and required that both elementary and secondary school desegregation occur that fall. The judge suggested that the disruption of both desegregation and grade reorganization could be minimized. Even if it could not, the vindication of plaintiffs' constitutional rights had waited long enough. According to the judge:

> The timely vindication of constitutional rights is of a higher priority than a form of school reorganization which has never existed in the school district. Racial segregation has existed, and its elimination warrants a time preference over the institution of new programs. The Court is mindful that the plan of reorganization is viewed as being capable of aiding desegregation, yet that benefit is not so important that its temporary absence will be of substantial detriment to the school system.

As for the "educational sacrifices," the judge asserted that

> Although the Board maintains that there will be inadequate time to provide the level of pupil

> scheduling which facilitates a smooth implementation of desegregation, the Court is constrained to order that it be accomplished in the best fashion possible. The Board might call upon the experience gained in the rapid rescheduling of students last year after the Appeals Court stay order was entered. In that situation the Board, in far less time than is now available, was able to complete the task prior to the opening of school.

The judge had sympathy for the disruption of students' extra-curricular activities. This, however, was not a valid reason to further delay desegregation.

The court continued to have concerns about the costs attributed to desegregation. However the judge refrained from taking a specific position on this matter. He stated:

> There exists in my mind a lack of understanding concerning some substantial differences between certain of the 1979-80 and the 1980-81 cost figures, as well as the real need for the employment of certain added staff personnel, and the reason that certain expenses are identified as costs of desegregation rather than as other typical costs. Nevertheless, the Court will not quibble as to the proper designation of these costs since in my judgment all the actual costs of desegregation are ordinary and necessary in the conduct of the district's business.

Because the question of costs to be assumed by the state was tied with the as yet undecided issue of state liability, the judge would not order the state to pay for the support programs. He was, however, aware of the district's financial plight. Therefore, he released Willow Hills from implementing the support programs as specified in the approved plan. The district was, however, to continue efforts

> to achieve the goals for which those specific programs were formulated as set forth in the order below. Responsibility remains with the Willow Hills Board of Education for assuring the community, the Court, and itself that an orderly implementation of pupil reassignment leading to quality education is achieved.

The judge ordered Willow Hills to aggressively seek and apply for any available federal or state funds.

In its submission Willow Hills officials had requested final approval by early August. This would allow them to make the necessary arrangements without hiring additional staff or requiring large amounts of overtime. The court's approval came before that

time had expired.

The plan was peacefully implemented in the fall of 1979. All but 12 schools fell within the court-approved racial ranges. These schools were desegregated in 1980, simultaneously with middle school reorganization. In 1979-80 the percentage of minority students in the Willow Hills Public Schools increased one percent from 38% of the total student body to 39%. The general enrollment decline, which had risen sharply after the federal court's liability finding in 1977 also fell slightly. Willow Hills officials attribute this to increased stability. According to one Willow Hills official,

> The experience of many school districts which have desegregated indicates that enrollment tends to stabilize within two or three years after implementation... Perhaps the gradual reduction in rate and magnitude of pupil loss noted here is an early sign that stabilization may be expected.

Indeed, school department statistics show that the number of students who transferred to parochial schools or nearby districts dropped from roughly 5,100 in the 1978-79 school year to roughly 1,500 in the 1979-80 school year.

Willow Hills officials consider that student desegregation was successfully implemented in the 1979-80 school year. Currently, they are turning their attention to what they view as the "second-generation" problems of desegregation. These include issues such as equity in student discipline and student achievement as well as continued equity in the transportation plan. Willow Hills officials also are attempting to upgrade general education in the district.

IV. REMEDY PLAN DEVELOPMENT AND IMPLEMENTATION PLANNING

Desegregation planning in Willow Hills began prior to the liability finding. In 1973 the district initiated a voluntary busing plan and began some educational programming geared towards fostering integration. At the same time, they made a series of visits to other districts to learn about desegregation and remedy planning. School officials believe that these early efforts helped provide the basis for the smooth implementation which occurred in 1979.

When the federal court found that the district was liable in 1977, the ground rules for desegregation changed. Although many board members were opposed to busing for desegregation, the board as a whole resolved to comply with the Constitution. The superintendent, as we have seen, issued three guidelines for the development of a desegregation plan, the first of which specified

that the plan meet constitutional requirements. The plaintiffs immediately questioned the ability of the voluntary plan to accomplish this goal. The district's first submission, in June 1977, eliminated all identifiably black schools. The plan contained a continuation of the voluntary busing program, the changing of school district boundaries, contiguous and non-contiguous clustering and the strengthening and expansion of alternative educational programs.

This plan was developed by a planning committee consisting of 16 administrators. Budget and finance people were involved in these planning activities. However, the components of the plan were first developed on the basis of desegregation and pedagogical considerations. Cost figures were then attached to these components. For example, the planning committee first developed desirable educational components for the 1977 plan and then figured out how much those components would cost.

Although the board was resolved to comply with the Constitution, some attempts were made to delay implementation. One early strategy was to "poor-mouth it." According to one Willow Hills school official, certain board members wanted to "buy time" by presenting an expensive plan which they would then not have the financial resources to implement. The inclusion of costly educational programs as part of the first post-liability desegregation proposal may be seen as evidence of this strategy. It is significant, however, that the superintendent's third guideline requiring the identification of necessary resources mitigated against such a strategy in that it (a) showed the costliness of the required programs and (b) demonstrated that the district did not have the necessary funds to support the programs. Both the judge and Special Master were aware of the district's budgetary situation and knew that implementation of the proposed educational programs was contingent on external funds.

At that point Willow Hills officials decided not to develop a plan that contained costly educational programs. From the perspective of school administrators, the most important reason for not including educational programs in the subsequent desegregation proposals was the court's response to the June 1977 submission. According to one school official, the judge said that "alternative schools and voluntary components were fine, but that our first requirement was to reassign the students." As they reviewed these programs, they came to realize that the costs, as another official puts it, were "outstanding."

The court rejected the June plan as well as the majority plan. Though not accepted, the "leaked" minority plan is significant in this context. This plan served to demonstrate that system-wide desegregation was possible and that it could be achieved within reasonable financial limits. Even if the plan was not complete and even if its calculations were not fully

accurate, it was sufficiently complete and accurate so as to provide a basis for seriously questioning the other submissions. The significant thing is that in Willow Hills, the "demonstration plan" was developed not by the plaintiffs, nor by a court-appointed expert, but by the Willow Hills School Department.

Following the submission of these plans, the court ordered a renewed planning process. In developing the final plan, finance was viewed as "a reality, but not a controlling factor." The most important consideration was compliance with federal court guidelines. Educational considerations also were important. Another important consideration was the stability and overall organization of the plan.

The Student Assignment Plan

The Willow Hills plan consisted of two major components: a student assignment and transportation component and a variety of support programs. We will first discuss the considerations entailed in developing the student assignment and transportation component.

The student assignment plan for Willow Hills is based on the rezoning, pairing and clustering of elementary schools. The district was first divided into five large areas. Within each area nearest identifiable black and farthest identifiable white schools were paired and other schools were added as necessary to achieve court established racial guidelines. Each elementary school was identified with a "home area," or "elementary attendance zone" defined by one administrator as the "geography surrounding the building." This area contained those students who, under "normal" circumstances, would be assigned to that school.

According to one Willow Hills planner, areas surrounding elementary schools were selected as the basic unit because "an elementary school in the neighborhood is something that people can understand and can relate to." The administrator compared this approach to approaches in other cities that rely on policy blocks or census tracks. These approaches, he says, are difficult for school administrators, let alone the lay public. Elementary attendance zones, on the other hand, have considerable salience for people in the community.

Secondary school attendance was based on feeder patterns predicated on the elementary attendance zones and the use of satellite zones. Ideally, Willow Hills planners would have liked a system in which two or three elementary pairs/clusters could have fed into one junior high school. They could then combine this school with another one or two junior highs and feed those students into a specific senior high school. This system would have provided maximum continuity for students. Building

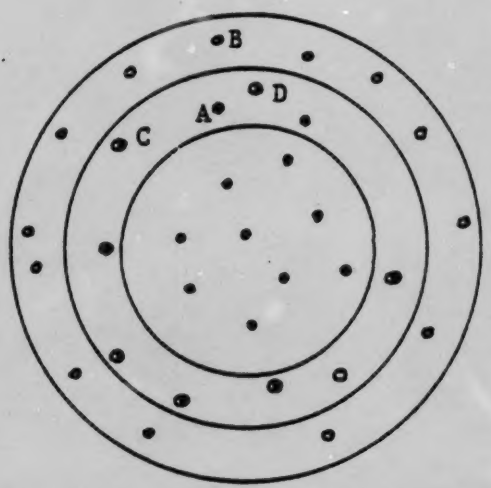
capacities, however, did not allow for such an approach. While some junior high school buildings were able to accommodate a sufficient number of students, others were simply too small.

High schools and junior highs were planned in terms of two attendance areas. The first area consisted of the immediate area surrounding the building and "pinned" elementary schools. For each high school 100 seats were reserved for students who lived in the immediate vicinity of the school. The remaining seats were for students from elementary and junior high schools designated as feeder schools. The second area consisted of satellite zones. Students would be taken from these zones to ensure that the school met the specified racial ratios.

Development of the student assignment plan was guided by multiple considerations. Cost was only one of these factors.

The relevance of multiple considerations in the Willow Hills planning process may be seen in terms of one of the more controversial aspects of the plan—the decision to pair farthest white with nearest black schools. This approach has been criticized on the grounds that it de-stabilizes integrated schools and racially mixed neighborhoods. However, the opposite interpretation is also tenable.

For simplicity's sake, think of Willow Hills as consisting of three concentric circles. The schools towards the center are primarily black. They become progressively white as we move towards the outskirts of the city.



● racially identifiably black schools
◑ racially mixed
○ racially identifiably white schools

Two alternatives are available for developing zones, pairings, and clusters. According to one scheme predominantly white schools on the district's fringe could be paired with predominantly black schools in the center city. Students then could be bused from the inner city to the fringe and from the fringe to the inner city. According to another alternative, predominantly black and white schools could be paired with schools in the transitional area. This was essentially the strategy adopted by Willow Hills planners. They would pair the "nearest identifiably black school" (e.g., School A), with the "farthest identifiably white school" (e.g., School B). In order to assure that racial ratios were maintained, students from nearby schools may have to be reassigned. Thus, white students from Schools C and D might have to be reassigned to School A, while black students from those schools are reassigned to School B.

Willow Hills officials cite a number of reasons for using the second alternative. Economy was a concern but not the exclusive or maybe even the most important reason for their decision. First, the second alternative enabled them to "bus neighborhoods, not kids." Specifically, the plan is designed to transport "home areas." According to one Willow Hills official, this avoids the difficulties that result when a student may be assigned to a different school than his or her next-door neighbor.

Secondly, Willow Hills officials say this alternative enabled them to maintain a consistent planning principle--"to minimize the time and distance of bus rides." Although the first alternative might have involved fewer students, the bus rides would have been longer and more time-consuming.

Thirdly, this design provided for a certain economy in transportation in that the same bus could make multiple trips. However, it is not altogether clear that this was less expensive than using the first alternative. Indeed, the minority plan was based on the first type of strategy. This plan also was projected to be considerably less expensive than the adopted remedy.

Fourth, this approach enabled Willow Hills officials to preserve a certain equity in transportation. More students would be bused shorter distances, rather than fewer students having to be bused for long distances. The burden was thus more widely distributed.

Fifth, this approach provided for economy in the context of a plan that also contained some stabilizing elements. Specifically, Willow Hills officials wanted to ensure that every elementary student would be able to attend a school in his or her neighborhood for at least part of his or her elementary career. For this reason primary (K, 1-3) and intermediate (K, 4-6) elementary schools were paired. (Kindergarten was not included in the plan.) Generally, a student could expect to attend either grades 1-3

or 4-6 in a neighborhood school. Willow Hills planners believe that having an elementary school in a neighborhood promotes a "vested interest" in that neighborhood.

In some ways this approach both facilitated and constrained attempts to economize. Certainly, on the one hand, some savings could be realized through staggered starting times and by having buses make multiple trips. Thus, one bus could pick up primary students and take them to one school for an early starting time. This same bus could then pick up intermediate students in the neighborhood near that school and return them to the paired school. In some cases, that same bus could even pick up junior high or high school students and take them to school. Indeed, Willow Hills' transportation director estimates that regular buses average 5.4 trips per day; 2.7 trips per bus in both the morning and the afternoon.

However, it is not clear that this would produce a less expensive plan. In their response to the court, school officials asserted that they cannot be certain which plan would be less expensive. Although they suspect that even though fewer students would be involved, the extended time and distance of transportation required by the first alternative would not make that plan less expensive.

The second alternative had certain other costs. The attempt to maintain either a primary or intermediate elementary school in each neighborhood constrained their ability to close schools. For example, a building that might cost more than another to operate would be retained if it was needed to ensure that elementary students in a neighborhood would have a neighborhood school for at least part of their elementary career. According to another member of the Willow Hills Planning Committee, greater savings could have been realized by closing older, more inefficient schools located in black neighborhoods. He fears, however, that this would have required the transportation of substantially larger numbers of black students thus aggravating equity in this area. This official believes that the court would look quite closely at such inequities.

Although efforts to economize were always present, these efforts were always constrained by other concerns. Two of the most important of these were compliance with court guidelines and maintaining continuity and stability in the plan. A conflict between these two goals evolved after the court order was upheld in the summer of 1979 and additional guidelines were issued for the remedy plan. One of the guidelines required that schools that already fell within court-approved racial guidelines be preserved in the desegregation plan.

Willow Hills officials opposed this guideline. They argued that it would, in fact, produce more instability than the plan

already approved by the court. First of all, school officials showed that schools that fell within the court-approved guidelines were not necessarily stable. Black student enrollment increases were significantly higher in those schools than they were city-wide. Some schools, in fact, fell out of range during the year in which the plan was delayed.

Secondly, Willow Hills officials argued that implementing this guideline would require drastic changes in the student assignment plan. Clusters involving 53 schools would be directly affected by the guideline. Beyond this, they expected a "ripple effect" that could result in changes in an undetermined number of other schools.

Thirdly, this guideline would make it impossible to implement the basic ideas on which the plan was built. These included the use of elementary attendance zones as basic building blocks and the attempt to minimize transportation time and distance. This disruption could subvert their efforts to secure a peaceful implementation of the plan. According to one school official:

> Community attitudes could be negatively impacted. The community is attuned to the equity and conditions of the Court-approved plan. A major guideline change could become a devisive influence in the community.

Even though implementing the new guideline would have required the transportation of fewer students, school officials did not expect to save any money, since the time and distance of bus rides would be increased. Moreover, the changes required by the new guideline would have exacerbated the equity built into the transportation plan since it would require that some students be bused throughout their school years, while others would require hardly any transportation. In the end, the court acceded and Willow Hills was permitted to implement the plan as it had been developed in 1977.

School Closings

School closing plans are coordinated with desegregation. However, even though the largest amount of school closings have occurred simultaneously with desegregation, Willow Hills school officials do not think desegregation is the primary reason for school closings. Rather they attribute the necessity to close schools to declining enrollments and financial responsibility. As the superintendent puts it:

> For some, the prospect of closing schools and auctioning off properties may have a negative connotation. I do not see it that way. I see it, first, as a responsibility--to demonstrate sound fiscal

management and protect the substantial investment the people of Willow Hills have made in their schools. Second, I see it as a realistic necessity--in light of declining enrollment and runaway inflation. And third, I see it as an opportunity to prove that this school system can adapt to change in a constructive way.

Willow Hills reached its enrollment peak in the 1971-72 school year with over 111,000 students. Since then, enrollment has declined steadily. In September of 1980, roughly 75,000 students were enrolled in the Willow Hills Public Schools. Enrollment for 1984 is projected at roughly 63,000 students. Since 1972, 49 schools have been closed; 29 of these were closed in 1979-80 and 1980-81.

Willow Hills has realized some additional revenues from school closings and their sale and lease. Some savings result from the reduction of facility maintenance costs. Revenues can be secured from either the sale or the leasing of buildings to public or private organizations. Generally, revenues realized from the sale of a building are returned to the permanent improvement fund. In the past, however, these revenues have been transferred to the general fund. This requires approval by an external monitoring body and is contingent, in part, on whether or not the bond which financed the building has been redeemed.

Willow Hills currently leases eight buildings. One Willow Hills official claims this also can be a valuable source of revenues. These funds can be directly returned to the general fund. He points to the fact that many new schools were built as the district expanded in the late '60s and early '70s. These newer buildings are in good condition and may be attractive to potential leasees.

In deciding to close a school, the following factors are taken into consideration:

--The ability of the facility to accommodate intended educational programs

--Building safety and access

--Age and condition. Maintain newer buildings with lower operating and maintenance costs

--Capacity. Attempt to maintain large buildings

--Convenience to the largest number of walk-in students

--Current enrollment. Disrupt as few students as possible. Therefore try to close schools with low and

dwindling enrollments

—Alternative use. Potential for sale or lease

It is never possible to maximize all of these conditions. Rather, it is necessary to weigh all the alternatives and make the most reasonable decision. As one school official puts it:

> There are frequently trade-offs in the final determination of which school to close in a given situation. The final decision will usually reflect several of the factors above but not some of the others. Emphasis will be given to as much objectivity and common sense as possible to the selection of each school to be recommended for closing.

Desegregation constrains decisions concerning specific schools. For example, in 1977 a list of 14 schools to be closed was attached to the desegregation plan to be implemented in 1978. When implementation was delayed while the plan was on appeal, a different list was prepared. According to one official, "Desegregation influenced which schools would be closed, not the total number of schools to be closed." Interestingly, no schools were closed that year pending the appeal.

Planning for school closings begins at the cluster level. A total cluster capacity and enrollment are determined. Each school is then viewed in terms of the above listed criteria. However, the following desegregation-related criteria also may affect a school closing decision.

—Impact on transportation equity. Willow Hills officials believe that more money could be saved by closing older schools in black neighborhoods, but that this would have required the busing of a disproportionate number of black students.

—Impact on the racial balance in other schools in the cluster.

—Impact on secondary school feeder patterns.

—Impact on the transportation plan. Does school closing hinder the attempt to minimize time and distance?

—Impact on the provision to have a primary or intermediate elementary center located in the neighborhood.

Trade-offs are made between maintaining the transportation plan, school closings, and fostering system stability. In some cases, Willow Hills officials have modified bus routes in order

to transport students displaced as a result of a school closing to a school that contained a substantial walk-in population. In other cases, a school may be retained over another school because it requires less transportation in terms of time and distance. As with the school building criteria, these decisions must be made in terms of "as much objectivity and common sense as possible."

Finally, Willow Hills' school closing plan is affected by educational concerns. This is most apparent in connection with middle school reorganization. Placing all ninth grades in the high schools has left little excess capacity at that level. Moving sixth grades to the middle schools and the educational requirements of middle schools (e.g., no study halls) requires increased capacity at that level. Because of this, the elementary schools are far below capacity and most of the closings are taking place at that level.

In this sense, desegregation and educational concerns set the parameters in terms of which school closing decisions are made. Financial considerations take place within those parameters. Even here, however, there are matters of policy which may constrain the disposition of closed buildings. For example, the district maintains a "classroom bank" in case enrollment changes or new educational programs require additional space. Another policy requires that all buildings be retained for one year before they are sold or leased. Closed buildings may be sold at public auction. If, however, the board decides not to sell a closed facility, a set of priorities have been developed for the building's use. These are:

—Continued utilization by the Willow Hills Public Schools

—Lease to other public organizations

—Lease to non-profit private organizations

—Lease to profit-making private enterprises

The close connection between the advent of desegregation and school closings is not completely a coincidence. According to one Willow Hills official, they had known that schools would have to be closed since 1975, when a financial study of the district was completed. This official claims that the former superintendent wanted to delay closing any schools until the case was decided so he could explain the school closings as a result of desegregation. According to this official, the current superintendent would have moved the district ahead in terms of school closings whether or not there was desegregation. Indeed, the school closing program is presented as a positive planning activity. Though school closing decisions certainly are constrained by the require-

ments of the federal court desegregation order (as well as other factors), the necessity of school closings in general is not something this district attributes to school desegregation.

Support Programs

On one hand the development of support programs for desegregation provided a context in which some administrators were able to implement ideas that had been under consideration for some time. Through ESAA a number of teachers have been maintained which, as a result of fiscal austerity and the state loan conditions, would have been cut. On the other hand, ESAA requirements and the position of the court with respect to what constitutes a legitimate desegregation activity, prohibited the use of federal funds for other plans and agendas.

Where the court was very specific with respect to the objectives of the student assignment component of the plan, it was intentionally vague with respect to the support programs. According to one Willow Hills official, the judge was aware of the district's financial situation and did not want to impose programs that would be overly burdensome. For this reason, the district was released from implementing the 1977 proposed programs as approved by the court, though it was required to pursue the goals these support programs sought to achieve.

In the 1977 submission, the following activities were included as desegregation support programs:

Community Orientation and Information Services
Included under this program were provisions for an information center (hotline), media relations, brochure preparation, building level communications, and group support and volunteer services.

Pupil Orientation
This program was to address pupils' concerns with desegregation and to provide information concerning the desegregation plan.

Multi-Cultural Curriculum Development
Provisions were made to continue programs in this area. If additional funds were made available these were to be expanded across all grade levels.

Staff Orientation
Four staff members constituting the staff development/human relations action were to provide these services with some outside assistance. They also were to prepare and submit proposals for outside funding.

Reading Development

This program called for roughly 185 additional teachers at the elementary and high school levels.

The programs actually implemented in 1979 were somewhat different. Changes have resulted from four factors: (1) the position of the court with respect to legitimate desegregation activities; (2) requirements of funding agencies; (3) the financial situation of the district; and (4) new needs created by desegregation.

Programs substantially implemented in 1979-80 include the following: staff development and human relations, pupil and community assistance, safety and security, and a desegregation monitoring team. Multi-cultural curriculum development was continued at previous levels. The reading development program was not implemented.

Staff Development and Human Relations

The objectives of the staff development/human relations (SD/HR) program are defined in the following terms:

> The overall goal of the Department of Staff Development/Human Relations is to develop the best possible climate of human relations for positive learning and the use of affective behavioral skills to improve students academic achievement. The activities conducted by the department serve administrators, teachers, professional support personnel, parents and students.

This program began prior to desegregation. However, one school official claims that resources were not put into this program because certain board members objected to what they saw as "touchy-feely" types of activities. According to this administrator, there was considerable objection to the term "human relations." In their early submissions to the court, these activities were placed under the heading of "pupil and staff orientation."

Prior to desegregation, this program consisted of one administrator, one supervisor, and two teachers on special assignment. Indeed, this was the extent of service proposed in the 1977 submission to the court. At this level of staffing, the SD/HR program was characterized by one Willow Hills official as essentially an "empty basket."

After the court's liability finding, efforts were taken to increase and fortify services in this area. They were now able to

come "out front" with their human relations programs. With ESAA funds and a Civil Rights Act grant, the empty basket expanded in 1979 to a department including a director, two supervisors and ten teachers on special assignment.

In preparation for implementation of the plan in 1978, SD/HR, with assistance from a state university some distance from Willow Hills, provided human relations training to classified personnel and bus drivers, and provided technical assistance to teachers and administrators. The university also helped to organize a program in which parent volunteers were to serve in schools during the opening week. The university's assistance came at no cost to the district.

Throughout the 1979-80 school year, human relations training was conducted for over 9,000 administrators, teachers, support personnel, and parent and community volunteers. At those schools that were most impacted by the plan the entire staff was involved in some type of training. At the remaining schools training was given to five-member councils consisting of two teachers selected by the administration, two teachers selected by the staff, and one teacher representing the union.

Willow Hills officials consider their SD/HR program a success. They attribute this to a "bottoms up approach." Rather than "starting with the biggies," they began with bus drivers, aides and teachers. One Willow Hills official said that teachers required considerable support, as they were concerned about dealing with new and unexpected situations in the classroom.

Willow Hills did not apply for ESAA support for the SD/HR program for the 1980-81 school year. Some Civil Rights Act monies are being used to continue this program and seven teachers maintained under the Pupil-Community Assistance (PCA) program have been transferred to SD/HR.

Pupil and Community Assistance

The pupil and community assistance (PCA) program is geared "to provide additional staff assistance at the building level to meet specific needs or problems directly related to desegregation." Specific duties were to include the following:

Crisis intervention/prevention. (Assisting in the prevention or resolution of student-based conflicts or problems.)

Student leadership development. (Assisting in the development and organization of student leadership activities.)

Parent involvement. (Assisting in developing ways to encourage and maintain parent involvement in school activities.)

Student remediation/counseling. (Assisting in securing or providing tutorial, remedial, or counseling for pupils in need of such assistance.)

Teacher assistance. (Providing specific training or materials to help teachers provide an appropriate multi-cultural program.)

Home/school co-operation. (Designing and encouraging activities to strengthen the degree of co-operation between home and school.)

The PCA's were to focus their efforts on children from discontiguous neighborhoods.

School officials report that these activities benefited desegregation. They do note, however, that the crisis intervention function was not particularly relevant since very few crises occurred in the schools.

PCA's were not included in the 1977 court-approved plan. According to one Willow Hills official, the idea was suggested by principals for inclusion in their ESAA application who thought that additional assistance would be required at substantially impacted schools. Willow Hills officials do not agree on the value of PCA's. One official claims that the PCA's have become "left-handed administrators" relieving a certain amount of the burden on principals. According to this official, the PCA's fulfill the functions of assistant principals, removed as part of the district's austerity measures in the mid '70s. This official candidly claims that PCA's have about as much relevance to desegregation as "Chinese astronauts." Other officials however, point out the PCA's were quite valuable in alleviating the strain on students and staff assigned to new schools. These officials also point out that the number of PCA's actually funded by ESAA is substantially less than the number originally requested and that the PCA's are concentrated in those schools that have undergone the greatest change.

Roughly $2.75 million of the $5.4 million received from ESAA are used for PCA's. In 1980-81, ESAA is paying for 132 PCA's, seven of which are being transferred to SD/HR.

Safety and Security

Safety and security also was not specifically designated as a support program in the 1977 court-approved plan. The transportation plan, though, did contain a provision for 40 pupil personnel specialists. Besides safety and security, these specialists were to be concerned with children at schools located in areas that were non-contiguous with their homes and were to double as provisional teachers. The court, it will be recalled, questioned

the validity of viewing this program as a transportation item. Pupil personnel specialists are now described as safety and security specialists and are included under the ESAA funded safety and security program.

In 1979 Willow Hills requested ESAA funds for 32 safety and security specialists. Their specific purpose was to "help schools plan, develop and implement programs to provide for the safety and security of pupils, staff and school property." They received funding for 16 such specialists. These teachers helped develop safety and security in almost all of the schools in Willow Hills. Aside from this, they provided assistance in dealing with student discipline problems. This program is being continued in 1980-81.

Another component of the Willow Hills Safety and Security Program is the crossing guards. This is necessitated by the use of primary and intermediate elementary schools. Splitting elementary schools reduced the number of older children who could function in this capacity. The number of crossing guards for 1980-81 has been increased. This is due in part to grade reorganization in that the removal of sixth graders from elementary schools required even more adult personnel for this purpose.

Community and Information Services

This program is maintained through a combination of federal and local funds. Local funds pay for a rumor control center. This consists of a telephone number that can be called concerning any educational or desegregation-related matter. ESAA funds support a media relations specialist and a small staff which is responsible for coordinating mass media coverage of the schools and providing desegregation-related information to students and members of the community. The idea for this type of program is found in the 1973 planning guide and it is included in the 1977 court-approved plan.

Multi-Cultural Curriculum Development

Multi-cultural curriculum development is one area in which at least some Willow Hills officials would like to do more. This program was started in the 1960's. In 1977-78 the program consisted of two resource teachers. In 1979 budget cuts required the reassignment of one of these teachers to regular teaching. Willow Hills was unable to restore that position.

Many of the officials we spoke to believe that multi-cultural activities are an important component of general education as well as desegregation. They propose a variety of possible expansions in this area. They feel that additional resources would be required and at least one Willow Hills official thinks ESAA is an

appropriate funding source. The current activities are funded with local resources.

Reading Development Program

As will be recalled, the 1977 submission to the court contained a major reading development program. This program called for 117 reading teachers at the elementary level, 20 teachers at the high school level, and additional support personnel. In 1978-79 this program was partially implemented with local funds. Eighty-six reading teachers and ten resource teachers were used in grades one through eight. In 1979 minimum staffing conditions required by the state loan necessitated the reassignment of these teachers to regular duties. In 1979-80 the ten resource teachers comprised the total program. Restoration of the program in grades one through eight and high school expansion was contingent on outside funding.

ESAA funding has not been forthcoming. According to a Willow Hills official, ESAA has dropped one of its previous funding categories (i.e., for programs concerned with educational remediation). This makes their reading program "illegal." He noted that a 1980-81 proposal to ESAA for a reading program at the secondary level had been rejected. No proposals to ESAA had been made for the elementary program implemented with local funds in 1978.

ESAA Special Compensatory Funds

Desegregation had a major impact on the allocation of Title I funds in Willow Hills by dispersing Title I eligible students across a larger number of schools. The district's response was to use the elementary cluster rather than the school as the basic unit. (State disadvantaged pupil aid provides Title I types of support at the high school and junior high school level.) The cluster then qualified based on the number of students eligible for free or reduced lunches. According to one Willow Hills official, every cluster then became eligible for Title I. Because of this, clusters were then rank ordered according to the following criteria:

—The number of students who previously had received Title I services

—The number of students eligible for Title services

—All other clusters

Through increases in the Title I allocation, state disadvantaged pupil aid, and $1.25 million in ESAA special compensatory assistance, services were provided to all previous Title I recipients.

Desegregation disrupted the allocation of Title I resources to specific schools. Home-school agents and educational aides, for example, had to be spread over a larger number of schools. Equipment and supplies had to be relocated.

Some of this slack has been picked up by ESAA special compensatory aid. In 1979-80 this provided the district with 46 reading teachers, six math teachers and one supervisor. In 1980-81 there was a 1/7 reduction in special compensation. According to a Willow Hills official this was met by eliminating the math teachers. This official claims that only a few students had taken the math courses during 1979-80.

Another Willow Hills official tells us that desegregation has affected the way in which they "think" about the allocation of federal monies. According to this official, one still must "prioritize," but one's conception of a "high concentration" with respect to disadvantaged pupils is radically changed. This, in turn, requires "a different approach to teaching and pupils" in that a relatively static amount of resources needs to be spread over a broader spectrum of schools and pupils. This was illustrated with respect to their reading program. Prior to desegregation one of the schools in a cluster may have qualified for two Title I reading teachers. With the desegregation order, all three schools may now qualify. The difficulty concerns how the teachers are to be allocated.

The district's move to middle schools further affects the allocation of Title I resources. One Willow Hills official wants to use two Title I reading teachers in each middle school. He suggests that ESAA be used to supplement programs in grades one through five and that state disadvantaged pupil aid be applied to the high schools.

Monitoring

Willow Hills has developed an internal monitoring team. The general purpose of the monitoring team is described in the following terms:

> to employ a team of specialists to advise the Board of Education on the implementation of a race desegregation plan. These specialists were to serve as a monitoring group to glean data and information from all the major divisions in the school district... The monitoring team would then interpret these events in the light of implementing a court-ordered pupil desegregation plan and report this information along with attending recommendations to the Superintendent and the Board of Education.

The Willow Hills monitoring team thus had two functions: to identify problems and develop solutions. They report their observations and recommendations to the superintendent and his cabinet. The superintendent then forwards these to the board of education. Members of the monitoring team also hold a meeting with the court-appointed Special Master, the superintendent, and the schools' attorney.

During the 1979-80 school year the monitoring team studied and reported on the implementation of the student assignment plan and educational programs. They investigated issues such as fairness in transportation, educational programming and pupil discipline. They paid close attention to all aspects of the school department and maintained ties with community based organizations as diverse as the Urban League and the National Association of Neighborhood Schools. When complaints arose as to discrimination in student discipline, their response was described as follows:

> When black community leaders charged that discipline in the Willow Hills Schools was biased against black pupils, the monitoring team focused on the investigation of the allegations. Full reports were provided to the Superintendent and the Board of Education. Finally, when the Superintendent initiated a Discipline Review Panel to examine discipline procedures in the schools, students' rights and responsibilities, and to establish new disciplinary guidelines if necessary, a member of the monitoring team attended each session and provided input to the group. As of this report, the panel is still convened.

In 1979-80 the monitoring team was funded through a Civil Rights Act grant. During that year, when it was not clear whether this grant would be renewed, it was suggested that the general fund assume the monitoring costs. However funds were provided by the Civil Rights Act for the 1980-81 school year.

Willow Hills' monitoring director feels that the team spent most of the first year identifying problems and areas of concern and not enough time in providing solutions. He feels that this activity requires a broader, more inclusive, and more systematic planning effort. Accordingly, he is recommending that the monitoring group direct its attention to long-term issues and evolve into a more permanent fixture in the school department.

Both school department personnel and representatives of the court favor an internal monitoring system. The court-appointed Master believes that an internal system avoids the "one-upmanship" and adversarial nature of external monitoring groups. According to him, external monitoring can result in the various parties

spending more time justifying their position rather than solving substantive problems. Beyond this, the Willow Hills Master feels that internal monitoring is less costly.

A spokesperson for Willow Hills feels that the board was very much opposed to having an external monitoring group appointed by the court. He feels this served as an incentive for the board to cooperate with the internal monitoring group.

ESAA: An Overview

Willow Hills began seeking financial assistance when desegregation became an issue in the early 1970's. Part of the costs of their early visits to other sites were offset by a grant from a private foundation. This program was geared to "get the staff acquainted with desegregation" and to develop their planning guide.

Willow Hills began to seek more broad-based support in preparation for implementing a desegregation plan in 1978-79. School officials were aware that certain support activities were needed to successfully implement the plan and that Willow Hills could not afford these activities.

Willow Hills' director of federal funds reports that he initially looked to three sources of federal assistance: the Civil Rights Act of 1964 (CRA), the Emergency School Aid Act (ESAA) and the Urban School Assistance Fund (USAF). The deadline for USAF had passed so attempts to secure federal dollars were confined to CRA and ESAA. Willow Hills officials also considered using CETA funds to pay for 80 "community coordinating aides." However, the criteria for CETA hiring and union regulations conflicted and this option became untenable.

According to Willow Hills' federal funds director, ESAA applications were developed in the following manner. A long list of needs is developed by the director in consultation with people in the field. The director attempts to determine if these are appropriate for ESAA funding. This list is then presented to the superintendent who, along with his cabinet, prepares a "short list," which is then submitted to the board for approval. According to Willow Hills' federal funds director, programs are developed on the basis of desegregation and educational demands. Cost figures are then attached to these programs.

According to Willow Hills' federal funds director, all ESAA suggestions are "keyed to the Court order." Selection of specific components, however, may depend on other considerations. For example, ESAA funds were used to maintain teachers in the face of the constraints posed by the state loan conditions and budget cuts. Thus ESAA helped support over 200 certificated personnel in 1979-80 and is supplying a similar number in 1980-81. According

to one Willow Hills official ESAA helped them maintain their staff while existing under the "bent nickel."

Some "hidden agendas" need not necessarily conflict with the goals of desegregation. For example, one Willow Hills official believes that part of the reason for selecting the adult crossing guard program was that they would be a highly visible sign of the district's commitment to safety and security. Still, the crossing guards may have actually enhanced safety.

"Political" considerations within the school department also may affect programs submitted for funding. One Willow Hills official feels that the PCAs resulted in part from pressure by building administrators to get assistance at the building level. This program would thus fulfill the dual functions of satisfying building level needs and providing continued staff.

All Willow Hills officials are not unanimous on ESAA programs. One official, for example, is critical of both PCAs and SD/HR. He feels these resources would be better used for multi-cultural curriculum development and more safety and security specialists. This official also would like to use ESAA funds for an outreach program geared towards getting dropouts back into school. Other officials believe that both PCAs and SD/HR personnel were critical in alleviating the concerns of both students and teachers and were therefore of critical importance for the successful implementation of the plan.

Programs included in Willow Hills' application for 1980-81 funds addressed problems identified by the monitoring team. These pertain to questions of equity, particularly with respect to student achievement and pupil discipline. Consequently, Willow Hills' officials proposed to add the following programs in 1980-81:

—Instructional resource service

—Alternative responses to suspension

—High school tutorial reading services

—Challenge mathematics

Although ESAA initially granted some funding for all but the reading program, the district chose another alternative.

Willow Hills originally requested roughly $9 million to maintain all of the 1979-80 programs and to add the four new programs listed above. The only significant modification entailed transferring part of SD/HR to CRA.

ESAA, however, initially decided to fund the new programs at

minimal levels and proposed some cuts in last year's programs, reducing the number of PCAs and crossing guards. According to an ESAA program officer, Willow Hills had originally promised that these programs would be phased out over a three year period, and had not provided data which supported a need for continued or increased funding.

ESAA's proposal was unacceptable to Willow Hills officials. According to Willow Hills' federal funds director, the new programs could not be effective at the level of funding ESAA proposed and their cuts of existing programs rendered them tenuous as well. In this official's opinion, major cuts in the existing program would jeopardize the continued successful implementation of the court order in 1980-81. This official believes that the desegregation was successful at least in part because of these support programs. To jeopardize these programs in order to half-heartedly embark on new programs did not, for Willow Hills' federal funds director, appear to be a reasonable approach.

In response, Willow Hills made the following proposal: ESAA was willing to grant roughly $4.87 million of the $9 million request. Willow Hills' federal funds director was willing to settle for $4.9 million for maintaining programs implemented in 1979-80. According to Willow Hills' federal funds officer he proposed this to the superintendent. After the superintendent gave his approval, the federal funds officer called ESAA and "in 15 minutes" ESAA agreed.

Following is a summary of Willow Hills' ESAA requests and awards:

ESAA Funding - Willow Hills

	FY '79		FY '80	
	requested	received	requested	received
Pupil and Community Assistants				
PCA Specialists	219/$3,735,702	135/$2,302,830	195/$3,645,135*	134/$2,504,862
Supervisor	---	---	---	1/$28,641
Safety and Security				
Supervisor	1/$31,338	1/$31,338	1/$32,638	1/$32,638
Secondary Specialists	16/$272,928	16/$272,928	32/$598,176*	16/$299,088
Crossing Guards	148/$214,896	148/$214,896	148/$214,896*	192/$278,784
Special Compensatory				
Supervisor	1/$22,540	1/$22,540	1/$22,830	1/$22,830
Progress Coordinator	1/$19,307	---	1/$21,795	1/$21,795
Reading Specialist	46/$841,478	46/$841,478	46/$837,798	38/$692,094
Math Specialist	6/$111,360	6/$111,360	---	---
Staff Development/Human Relations				
Project Supervisor	1/$23,003	1/$23,002	---	---
Specialist	8/$138,792	1/$17,349	---	---
Media Relations				
Media Specialist	1/$16,440	1/$16,440	1/$13,055	1/$13,055

*ESAA originally granted only 103 PCAs and only 96 crossing guards. Both of these were increased in the final negotiations. Significantly, the number of crossing guards was increased above the original request.

ESAA Programs Requested by Willow Hills in 1980
That Were Not Funded

			Total Requested	Total Granted
Instructional Resource Service Center (S.S.)			$ 791,686	$378,664
30 Resource Specialists	$560,790	($18,693 each)		
8 Dial-a-Teacher	30,816	($8.56/hour)		
4 Dial-a-Counselor	15,408	($8.56/hour)		
1 Director	35,874			
Alternative Responses to Suspension (S.S.)			$1,014,000	$345,003
42 In-school suspension teachers (Was cut back to 14, $282,688)	$848,064	($20,192 each)		
High School Tutorial Reading Services (B.I.)			370,001	--
14 Reading Specialists	$261,422	($18,693 each)		
Challenge Mathematics (B.I.)			123,604	19,622
4 Resource Teachers	$ 74,772	($18,693 each)		
Non-Public School Services				
1 Reading Specialist	$ 9,347			

The non-public school services was approved by the program officer, but was not implemented or included in the final application for funds. The High School Tutorial Reading program was totally deleted by the program officer. Other programs requested were cut to the point where Willow Hills officials decided not to include the request in the final application.

It appears that Willow Hills officials have attempted to use ESAA resources to buffer an educational system which had been gutted by financial difficulties. ESAA regulations, however, prevented them from using those resources exactly as they might have pleased. Beyond this, Willow Hills officials are not unanimous on the purposes for which ESAA funds are best used. It is clear, however, that ESAA enabled them to maintain their teaching staff through a period of critical austerity.*

Provisions for continuation of ESAA-supported programs have been built into Willow Hills' long-term planning. Should ESAA support be substantially reduced or terminated Willow Hills officials have proposed that the ESAA-supported programs be continued with local funds. They are budgeting the same amount for the next five years as they received in 1980-81 (controlling for inflation and declining enrollments). In this sense, ESAA has introduced a new base into the budgetary process. It has helped define both the total amounts of funds and the nature of the programs.

This base, however, is not completely certain. Should federal funds no longer be available, continuation of these programs would be contingent on successfully passing a levy. For the present, however, budgeting for the continuation of desegregation programs signals the district's long-term commitment to desegregation.

V. THE IMPACT OF DESEGREGATION ON THE WILLOW HILLS PUBLIC SCHOOL DEPARTMENT

Desegregation has resulted in additional costs and has created new burdens for the school system and its administrators. On the other hand, it has hastened the development of new technologies and more efficient management systems. Although many of these programs were "in the works" prior to the court order, most school officials believe their completion was given impetus by the requirements of desegregation.

Transportation and Data Management

Desegregation probably had its largest impact in the area of transportation and data management. According to Willow Hills'

*It is interesting to note that in Riverton the functions carried out by Willow Hills' PCAs were taken over by transitional aides. Transitional aides were not ceritificated personnel. Rather, they were "people from the neighborhood." There was, of course, another agenda in Riverton's planning--patronage.

Transportation Director, the transportation program "evolved with the court order." In 1973 Willow Hills owned only 83 buses. The voluntary transfer program expanded as desegregation became more of an issue. Handicapped, special education and regular busing also increased at that time.

Once the district was found to have been segregated, the transportation department became involved in the remedy planning process. Their responsibility was to fit bus routes to the plans being drawn by the planning committee. In fact the planning committee had decided to minimize time and distance as a central guide for the transportation plan, the transportation department began to work closely with data processing developing bus routes and time and distance estimations. During 1977-78 procedures were developed to use a computer for these purposes. According to a number of Willow Hills' officials, greater coordination between transportation and data processing was "in the works" prior to desegregation, though desegregation clearly accelerated the process. The development of increased data processing facilities, according to one Willow Hills official, was a critical factor in the successful implementation of the plan.

In 1979 though, the computer system was not yet completed. A directory of student assignments necessary for the remedy plan had to be finished. Willow Hills officials attributed this delay to a number of factors, including their failure to pursue work on the student assignment component of the remedy plan while the case was on appeal. However, another Willow Hills official points out that they were fairly new at this type of activity and their ability to retain highly trained computer programmers was constrained by their inability to make offers competitive with those available in the private sector. In any case, enough of the pupil directory was completed (some of the assignments were done manually) so that desegregation could take place in 1979-80 and a completed system facilitated the middle school transition in 1980-81. Currently Willow Hills officials can produce a complete student directory including demographic information on each student. The file contains the student's "home area," current assignment and future assignments. The computer system facilitates the modification of bus routes in accordance with residential changes and changes in the assignment patterns.

Willow Hills officials are proud of the efficiency of their transportation system. They claim, however, that each new development was born out of a crisis that took its toll on a limited staff. In 1976-77, the year prior to the liability finding, Willow Hills transported 13,455 students on 222 buses. The district contracted for the transportation of another 3,336 students. Including some miscellaneous forms of transportation (e.g., reimbursement to parents who provided private transpor-

tation) a total of 17,372 students were bused in 1976-77. Approximately 5,000 of these students were transported as part of the voluntary busing plan. The transportation system was operated by 225 employees. A summary of the Willow Hills transportation system for 1976-77 was presented as follows:

Buses

66 Passenger Buses		129
36 Passenger Buses		49
16-21 Passenger Vans		35
Wheelchair Lift Vans		9
	Total	222

Employees

Administration		2
Operations		
Drivers: Full-time		86
Drivers: Part-time		111
Supervisors		1
Assistant Supervisors		5
Clerk/Secretary		1
Maintenance		
Supervisors		2
Mechanics		10
Service		5
Parts Clerk		1
Clerk/Secretary		½
	Total	224½

Students

Regular		13,455
Contracted		1,899
Taxi		1,437
Private		581
	Total	17,372

The total number of students transported in 1977-78 and 1978-79 remained essentially the same with small increases in the areas of special education. In 1979-80, the first year of desegregation, Willow Hills transported a total of 36,895 students, described as follows:

Regular	27,653
Alternative	2,761
Special	1,800
Non-Public	4,681

Between 1976-77 and 1979-80 the Willow Hills Transportation Department increased in size. A comparison of 1976-77, 1978-79 and 1979-80 is presented below.

	1976-77		
Personnel	Operating	Maintenance	Total
Administrators			2
Supervisors	1 Regular 5 Assistants	2 Regular 5 Assistants	3 Regular 10 Assistants
Clerical	1	1.5	2.5
Operating Personnel	86 Full-time 111 Part-time	15	101 Full-time 111 Part-time

	1978-79		
Personnel	Operating	Maintenance	Total
Administrators			2
Supervisors	12	2.7	14.7
Clerical	6	.9	6.9
Operating Personnel	214	27.4	241.4

	1979-80		
Personnel	Operating	Maintenance	Total
Administrators			2
Supervisors	15	2.7	17.7
Clerical	6	.9	6.9
Operating Personnel	371.02	33.75	404.77

As can be seen, the largest increases are in the area of operating personnel.

The readying and implementation of the transportation plan has required a considerable amount of time and effort from an administrative staff that has not grown proportionately with other components of the transportation department. According to one Willow Hills official, they often feel like magicians who must "pull rabbits out of the hat." These problems continued during 1979-80 and 1980-81. For example, difficulties developed around school buildings with students who had stayed late for afternoon activities and then had to wait a longer period of time for activity buses to take them home. The superintendent then promised swifter delivery systems--a promise that transportation then had to make good on.

From the perspective of many Willow Hills administrators that period in which they were forced to pull the most rabbits out of the hat occurred between the appeals court upholding of the district court's decision and the implementation of the plan. Because of enrollment changes (The court-approved plan was based on 1976 enrollment figures.) a number of modifications had to be made in the plan to ensure that court-ordered racial guidelines were met. The pupil directory had not been completed and a number of assignments and routes would have to be manually determined. This was part of the basis for the request for a phased schedule for 1979-80 and 1980-81. The request was rejected and the work was completed on time. During the same time period, 160 additional bus drivers were hired and trained. According to the Willow Hills Transportation Director, "we were working 14 hours a day, seven days a week."

Despite such crises, Willow Hills officials are proud of the efficiency they have been able to achieve. The Willow Hills Transportation Director reports a considerable decrease in per pupil costs. This is attributed to increased efficiency as well as to an increase in the number of students transported. School officials point to the high number of trips per bus per day (i.e., 5.4 per day for regular buses) as evidence of this efficiency.

Desegregation and Educational Programs

Desegregation has had a complex relationship with educational programming in Willow Hills. Where it may have delayed general educational improvements, it has created new educational demands and requirements and is, according to some Willow Hills school officials, at least indirectly related to recent educational innovations.

According to one Willow Hills official, the necessity of expending resources on desegregation limited their ability to upgrade general education, equipment and supplies. From his view, busing costs during the first year of desegregation detracted from needed material improvements. For example, he indicated that

typewriters and shop equipment were in poor condition and due to desegregation (in part) they did not have the money to upgrade this equipment. Certain textbooks, according to this official, were out of date. As an example, he mentioned a science text that promises how one day "man will walk on the moon."

At the same time, desegregation has resulted in new educational demands. Teachers had to learn how to deal with a broader range of abilities and educational attitudes among students within the classroom.

Desegregation is connected with two recent educational innovations: middle school reorganization and the graded course of study. Desegregation and middle school reorganization have a long and complex history. According to a number of Willow Hills administrators, there was a longstanding desire to move to middle schools for purely pedagogical reasons. The idea, it will be recalled, to use desegregation as an opportunity to go to middle schools appeared as far back as 1973, when the district compiled a desegregation planning guide.

Most Willow Hills officials now agree that desegregation facilitated the move to middle schools. Some administrators believe that the planning for desegregation eased the transition to middle schools. Desegregation had already required the development of a transportation system. Both desegregation and the school closing plan had forced them to organize their knowledge of facility conditions and capacities enabling them to identify those buildings best suited for middle school programs.

Secondly, some administrators believe that desegregation had an indirect effect on middle school reorganization. Because of the increased space requirements necessary for middle schools, the general enrollment decline facilitated the middle school transition. Some administrators believe that this enrollment decline was hastened by desegregation. Indeed, enrollment decline increased sharply in the 1976-77 school year (the year of the Federal District Court's liability finding). Although signs of stabilization appeared to take hold in 1978-79 and 1979-80, pupil loss at the high school level continued to be high. According to some Willow Hills administrators, this better enabled them to move the ninth grade from the junior high school level to the high schools.

Desegregation also has been connected with the newly implemented graded course of study. Once again, this is a program that the district wanted to implement for some time. Some administrators believe that the district's financial condition and the necessity of committing resources to desegregation delayed the implementation of this program. Willow Hills officials also believe that desegregation has affected the scope of this program by increasing the diversity among students within individual

classrooms.

However, one Willow Hills administrator indicates that they are attempting to use the graded course of study to enhance education in the schools and to "sell desegregation." According to this administrator, positive steps in the area of educational programming were being used to demonstrate to parents that education in the Willow Hills Public Schools is not just continuing but was, in fact, improving.

The Costs of Desegregation

Most Willow Hills officials do not find the identification of desegregation-related costs to be a particularly useful activity. According to the Willow Hills Budget Director, it is difficult to disassociate the costs of desegregation from the normal operating costs of running the schools and that it would be almost impossible to isolate desegregation's contribution to expenditure increases in 1979-80 and 1980-81. Nevertheless, a number of costs have been identified. While some of these appear as budget items, others do not.

Perhaps the most visible cost increases have been in the area of pupil transportation. These costs include both operational and capital outlay expenditures. The Willow Hills Budget Department did complete a comparison of 1978-79 and 1979-80 transportation costs. This is presented below in summary form.

A Comparison of 1978-79 and 1979-80 Transportation Costs

Operating Costs

	1978-79	1979-80
Salaries and Benefits	$3,338,928	$5,337,258
Supplies	807,598	1,597,173
Purchased Services	1,446,656	2,318,563
Other	3,071	(-13,065)*
TOTAL	$5,596,253	$9,239,930
Operating Reimbursements	1,204,381	2,114,693
Net Cost	4,391,872	7,125,237
Total Increase		3,643,677
Net Increase		2,733,665
Capital Outlay	3,520,155	1,742,286
Capital Reimbursement	0	223,782

*This figure represents a cost recovery item.

Desegregation, however, is only partly responsible for these cost increases. According to one Willow Hills official:

> It should be noted that the increase in expenditures reflects the impact of both inflation and expanded transportation requirements in 1979-80. The latter, while mainly due to desegregation also includes expanded transportation to private/parochial school pupils and additional special education transportation.

To determine transportation operating costs on a pupil per mile basis would be extremely difficult in that pupils transported for different reasons often ride the same buses. This difficulty results in part from the efficiency of the transportation system. One Willow Hills planner indicates that efforts were taken to assure that they did not "lose their special kids." According to this official, many districts under an order to desegregate develop a completely new transportation system that overlaps with existing services. Willow Hills attempted to integrate all the services at the start. Desegregation transportation thus became fully integrated with the district's regular transportation program.

School officials suggest two methods for determining transportation costs. First, the total transportation budget is pro-rated. Willow Hills officials assume that all regular student transportation is attributable to desegregation. This constitutes roughly 70% of their total transportation. Based on this formula, total desegregation transportation in 1979-80 would have cost $6,467,951; $871,698 more than their total transportation costs for 1978-79. Their net desegregation transportation costs (including state reimbursements as revenues) would total $4,987,666*, roughly $609,000 more than their total net cost for 1978-79.

The strong point of this approach is its simplicity and consistency. The difficulty arises from the fact that it results in high cost figures. In a memorandum entitled "1979-80 Desegregation Costs" another method was used to calculate desegregation-related transportation costs. Here, the net increase

*These figures would be somewhat reduced in that only 90% of the district's maintenance costs are related to educational services. Therefore only 63% of their total maintenance costs are desegregation-related. In 1979-80, transportation maintenance costs came to $1,042,774. Based on 90% of this as education-related costs, the district would still attribute a total of $6,394,958 as a desegregation cost. Maintenance costs in 1978-79 came to $829,777, reducing the total transportation operating costs of that year to $5,513,456.

(i.e., the difference between the total increase in transportation costs from 1978-79 to 1979-80 and the 1979-80 increase in revenues) was used to represent desegregation transportation costs.

This second approach generates a conservative estimate of desegregation-related transportation costs. Because the district achieved greater efficiency the overall increase in cost does not reflect the overall increase in services. Indeed, school officials report that per pupil costs have been sharply reduced, even though absolute costs have increased. In 1978-79 Willow Hills transported roughly 18,000 students at a total operating cost of roughly $5.6 million. In 1979-80 they transported close to 37,000 students at a cost of roughly $9.2 million. In a time of increases in inflation and fuel costs the serviced clientele increased over 100% while the costs of servicing that clientele increased less than 65%.

Secondly, this approach does not include desegregation-related costs incurred in 1978-79. New personnel were added at that time. Although the drivers were released, some of the supervisory and clerical staff remained on board. Choosing the difference between 1978-79 and 1979-80 as the basis for discriminating between desegregation and non-desegregation-related costs thus locates some desegregation-related costs in 1978-79 as non-desegregation-related and includes them as part of the figure with which the 1979-80 desegregation-related costs are compared. It should be noted however that this applies to a total of at most 15 employees, not an outstanding number in the context of a $9.6 million budget. However, it does reflect the tendency of this approach to provide a conservative estimate of desegregation costs.

There may, however, be a political reason for school officials' reticence to disaggregate desegregation-related transportation costs. The Joint Legislative Committee has been reluctant to approve certain desegregation-related items. By not tagging their transportation costs as such, local officials may have avoided difficulties with subsequent reimbursements in this area.

Willow Hills' Budget Director asserts that this is the last year in which he intends to compile a separate cost figure for desegregation transportation. According to him, more than one year estimations cannot be accurate. There is no basis, for example, to assume that transportation requirements would have been the same in 1980-81 as they were in 1978-79 even if desegregation had not occurred. The transition to middle schools also clouds the picture.

Willow Hills officials are sensitive to the political nature of school desegregation cost determinations. According to Willow Hills' Budget Director, there is currently no important

reason to disaggregate the costs of busing for desegregation. He feels the costs would be used by groups that have partisan interests and that this would not serve the purpose of desegregation. In the future, however, a need for developing more accurate cost data might develop if the state were found liable and ordered to share a portion of the costs. The Willow Hills Budget Director hopes that should this occur, the court would identify the relevant costs. He anticipates considerable difficulty in arriving at cost figures agreeable to all parties.

For 1979-80 Willow Hills computed the total cost of desegregation as the net increase in transportation costs and the costs associated with the federally funded desegregation-related programs. However this approach raises certain questions. Specifically, it is not clear that one would arrive at a truer estimation of desegregation costs by summing federal and local costs (in that federally funded programs represent additional expenditures) or by subtracting local costs from federal costs (in that federal costs represent new revenues).

Following is a summary of desegregation costs in Willow Hills:

Willow Hills Public Schools
1979-80 Desegregation Costs

General Fund - Pupil Transportation	
Increase in Revenue	$ 910,312.22
Increase in Cost	3,643,676.46
Net Increase	$2,733,364.24
Emergency School Aid Act	
Pupil and Community Assistance	$2,757,820
Safety and Security	690,401
Compensatory Education	1,510,008
Staff Development/Human Relations	293,240
Media Relations	20,135
Administrative Services	60,841
Evaluation Services	90,464
	$5,422,909
Civil Rights Act	
Technical Assistance Team	$131,918
Staff Development/Human Relations	321,602
Evaluation Services	20,046
	$473,566
Summary - Operational Cost	
Local Funds Cost	$2,733,364.24
Federal Funds Cost	5,896,475.00
	$8,629,839.24

This summary omits a number of costs that previously had been considered desegregation-related. Multi-cultural curriculum development, for example, is not included. This, however, remained at essentially the same level of service. Neither is the community information service provided by the district. Overall, this budget tends to downplay the cost of desegregation in Willow Hills.

Hidden Costs

Desegregation has resulted in a number of costs that do not show up as budget items. Administrators are quick to point to extra hours they put in preparing plans and taking the necessary steps for their implementation. Those who worked on the planning committee were still expected to fulfill their normal responsibilities. Beyond this, desegregation-related activities required considerable time in communications with line administrators such as principals as well as with the public itself. Hours spent at evening meetings were never officially logged or reimbursed.

A second category of hidden costs related to desegregation is associated with the year's delay in implementing the plan. Prior to the stay, efforts had been taken to comply with the Federal District Court's order. Some of the support programs, including teacher-student orientation, had been implemented during the 1978-79 school year. However, when the plan was updated the following year it was necessary to make changes in student assignments requiring orientation for different groups of students and teachers. Supplies and materials had to be moved again. Bus drivers who had been hired and trained had to be released in 1978. New drivers had to be trained when the plan was implemented in 1979-80. Also, a number of new and used buses parked for the 1978-79 school year depreciated in value without providing any service to the district. Finally, there were 14 schools scheduled to close in 1978 that remained open, resulting in at least some additional operating costs. Whether these costs are properly attributed to desegregation is difficult to assess since the district was not specifically prohibited from closing schools that year. School officials, however, were concerned about the impact of any closings on the case and refrained from making a decision for that reason.

The events surrounding the delay of implementation reflects a peculiar dilemma school administrators may face with respect to desegregation and resource allocation. In the summer of 1979 the court rebuked the district for not continuing its planning activities during the spring of 1979 for a potential fall implementation. From the district's perspective, this critique was unfair from both a resource allocation and a legal perspective. In terms of the former, resources mobilized for a 1978 implementation were essentially wasted when the plan was delayed. With the case

on appeal, why should Willow Hills risk wasting further resources? Beyond this, there are legal questions concerning their obligations during the period in which a stay is granted and as to whether taking affirmative action would have jeopardized their appeal. Not preparing for a fall implementation was reasonable in both a legal and financial sense. By not planning though, they were left in a less-than-ready position to implement should the appeals court find against them. This, too, could result in additional costs (e.g., overtime) as well as greater burdens on the system and raising the ire of the district court judge.

According to a number of Willow Hills officials, the delay created a process which, though burdensome, also had some positive benefits. According to one administrator, not implementing the plan in 1978 did not create an excessive burden. In his view, it was easier to go back to something that was "known" than to move on to something that was essentially "unknown." According to another administrator, having gone through the motions for 1978 implementation paved the way for a smoother process in 1979. They knew how much material would have to be transported and how long this would take. This enabled them to ask the court to grant them approval to go ahead by a certain date so that excessive overtime costs could be avoided. Significantly the court's decision came prior to the specified deadline.

Another cost of desegregation pertains to the legal fees. This includes fees for the district's attorneys, plaintiffs' legal costs, and the costs of the Special Master. Willow Hills officials believe that these expenses are minimal. Payments to the Special Master have come to roughly $17,500 over a three and one-half year period, split equally between the state and local defendants. This is considered to be much less than other districts.

A third cost of desegregation is somewhat more problematic. This concerns the district's inability to pass a tax levy. Some Willow Hills officials believe that desegregation's unpopularity and the potential for trouble that it poses have not added to the confidence Willow Hills residents have in their schools and is at least in part responsible for their inability to pass levies. School officials point to the success surrounding districts have had in passing levies. They believe that this also is partially related to desegregation in that an adjacent district's failure to pass a levy could result in its inability to meet state minimum standards which could then result in annexation of the district by Willow Hills. Whether or not such fears were justified, Willow Hills officials believe they were used by local school officials in nearby districts to help pass levies. This of course has another indirect cost implication in that annexation is one way in which Willow Hills could upgrade their tax base.

A fourth category of costs is related to the inability to

obtain reimbursements for their transportation capital outlay. As will be recalled, the state board of education had recommended reimbursement at 100% of the ceiling price. Otherwise, the district was eligible for a 35% reimbursement. This recommendation, as well as their "normal" reimbursement is contingent upon approval by the Joint Legislative Finance Committee. This committee has not approved even the 35% reimbursement for the buses purchased in 1978-79 and Willow Hills received only partial reimbursement for buses purchased in 1979-80. Denial of the 1978-79 reimbursement was due, in part, to the fact that the request was made after the legislature's appropriation was made and that no funds were contained in that appropriation for desegregation. Here is one example where the timing of desegregation and local and state budgetary cycles may have created additional costs for the district. Had the request been made prior to the state appropriations bill, the funds might have been included in that bill and monies allocated in the normal way.

Willow Hills officials believe that politics is at the root of their difficulties with the Joint Legislative Committee. According to one Willow Hills official, the Joint Legislative Committee believes that the legislature's "intent" in passing the original bill did not include providing state funds for "racial balance busing."

The school officials point out that there was considerable "hoopla" at the Joint Legislative Committee's hearing on the capital outlay reimbursement. The hearing was covered by the local press and a number of people complained to the joint committee about the costs of desegregation asserting that they did not want state funds allocated for these purposes. Willow Hills also sent a number of key officials who testified as to the district's financial difficulties.

Interestingly, Willow Hills officials employed a different strategy when the matter of their operating reimbursement came before the committee; they sent no one to the hearing and the reimbursement was quietly approved. Operating costs, however, are "much less visible" than capital outlays.

Aside from the obvious costs associated with not getting this money, the joint committee's action has placed other burdens on the system. In one case, uncertainty as to the status of these funds interfered with the normal bus purchasing processes. Although the buses ultimately were purchased, open bidding procedures had to be abrogated and the hastiness of the process created additional hours of work for the members of the transportation department. The joint committee's action exacerbated their overall financial situation in 1978 and made their situation with respect to the state loan that much more difficult. Ironically, the joint committee was also responsible for the loan approval. Currently, the capital outlay reimbursement is

tied up with the question of state liability which is still on remand before the Federal District Court.

The Costs of the Question of State Liability

The question of how much the state should pay has been a matter of some dispute throughout the case. After the state was found liable the city defendants argued that the state should pay the full cost of desegregation. Willow Hills, they pointed out, was already overspending. Significantly, this was at the time that Willow Hills was still considering a plan that contained costly educational programs.

Willow Hills officials claimed that without state funding, education in the district would suffer, hindering the vindication of the plaintiffs' constitutional rights. Because of the constraints of the state loan conditions, Willow Hills school officials claimed that the added burden of desegregation would result in a diminution in the quality of education.

The state responded that their financial responsibility was limited. They pointed out that Willow Hills was the primary wrongdoer and, for that reason, should bear the primary burden of the remedy. Any sharing of cost must reflect the proportionate contributions of both parties. Since the state was a "passive" wrongdoer, failing only to rectify the segregative actions of the Willow Hills Board, it was not as responsible for the full costs of remedying those actions. Under no circumstances should the state be required to pay for programs unrelated to the remedy of the constitutional violation. As an example, the state cited Willow Hills' proposal for a reading program. Beyond this, the state claimed that requiring them to pay the total cost would, in effect, give the Willow Hills schools a blank check which could induce financial inefficiency. Finally, the state asserted that Willow Hills had the resources to maintain basic educational standards and implement desegregation.

Willow Hills took exception to this interpretation. They argued that desegregation case law prohibited any diminution in educational standards and asserted that it was the state's responsibility to assure not only that minimum standards were maintained but that there was no reduction in educational services. Citing Milliken v. Bradley, Willow Hills officials said,

> The State's suggestion that it can only be required to fund a desegregation remedy order where the local funding of such costs renders the district unable to meet minimum State educational standards is in direct and irreconcilable conflict with Bradley's instruction that "the State has an obligation not only to eliminate the unlawful segregation but also to insure

that there is no diminution in the quality of education."

The Sixth Circuit did not hold that the quality of education should be allowed to sink to some minimum standard specified by the State. Rather, it specifically held that no diminution in the quality of education should be permitted. In view of the present financial condition of the Willow Hills Public Schools, state funding of desegregation costs is the only way in which a serious diminution in the quality of education can be prevented.

The plaintiffs' approach was somewhere in-between these two positions. They suggested that the "court examine the available resources of both the Willow Hills and state defendants to determine...the appropriate balance between them and suggest that if either party is unable to pay its portion, the principle of joint or several liability should apply."

The district court had not decided these questions when the higher Court remanded the question of state liability. No further action has been taken on these matters since that time.

Uncertainty concerning the state's responsibility presents Willow Hills with a peculiar set of problems. Not only is there uncertainty as to what they might ultimately hope to recoup should the state be found liable, but there also is uncertainty as to the status of their current reimbursements under present regulations. Furthermore, reticence of the Joint Legislative Committee to approve monies explicitly geared toward desegregation leads Willow Hills to minimize the importance of desegregation costs, particularly in the area of transportation. Indeed, this appears to be their strategy in selecting the use of the "net increase" as a representation of those costs. If the state is found liable this could harm any attempt to maximize the amount the state is obligated to pay. The delay regarding the question of state liability reduces the ambiguity concerning desegregation costs. This delay, combined with the actions of the Joint Legislative Committee and the financial pressure on the district, places Willow Hills in a particularly bad position to "pad" the desegregation budget. In this sense, efficiently carrying out the plan reduces the claims for financial relief that subsequently could be made on the state. In sum, the delay provided time in which the district was forced to desegregate within stringent financial constraints. Once they had successfully done so, they could hardly argue that they could not afford to.

Beyond this, it is interesting to note that aside from transportation all other major desegregation-related costs are ESAA funded. If ESAA support does not continue these programs might warrant state support. Indeed, Willow Hills had asked

the court to order the state to pay for its proposed support programs in both 1977 and 1979.

Two points are noteworthy concerning this. First, partly as a result of ESAA, the nature of these programs has changed. This is most evident with respect to the dropping of a multi-million dollar reading program. A large number of programs for 1980-81 were not funded at all. Should the state be found liable and asked to pay part or all of these costs, it would be paying for programs whose design was based, at least in part, on the requirements and availability of ESAA funds. Had the state been found liable prior to implementation and the award of ESAA funds, these programs might very well have been different. Secondly, the amount of state support might likely be related to the amount of support provided by ESAA. The district has shown that it can desegregate at the level of support currently supplied by ESAA. This is reinforced by the fact that Willow Hills' long-term desegregation budget is based on the total amount of ESAA support. In this context, they would be hard pressed to justify state support in excess of this amount. The delay, in effect, permitted for a maximum level to be, to some extent, inadvertently set for the amount the state might be required to pay in the future.

Hidden "Investments"

Another series of costs concerns what the Special Master in Willow Hills terms "investments." These pertained to efforts by local business and religious groups to secure an orderly and peaceful implementation of the desegregation plan. A coalition of Willow Hills businesses collected roughly $350,000 to help prepare the community for desegregation. This coalition also received a small amount of ESAA support for these purposes. The business coalition sponsored a major promotional campaign stressing the positive aspects of desegregation in Willow Hills. Significantly, the Willow Hills Chamber of Commerce is now using quality of the schools to try to attract new businesses to the district. Religious groups also gave freely of their time to be on the streets and in the schools as well as providing other types of support for desegregation.

Labor unions also played a role in preparing the community for desegregation. A teachers' strike appeared imminent at the beginning of the 1979-80 school year. Meetings took place between union officials and members of the business coalition as well as between the Special Master and union officials. Eventually, an agreement was reached and a strike was averted.

Although these efforts do not show up as budget items, they are considered by school officials, as well as other members of the community, to be legitimate desegregation costs in that they

greatly facilitated the orderly implementation of the plan.

VI. CONCLUDING OBSERVATIONS

Of all our sites, Willow Hills comes closest to the model we expected to find with respect to desegregation finance. Budgetary concerns made a difference in the large picture. Specifically, cost considerations were important in the decision not to implement a plan that included expensive educational innovations. In Willow Hills the court quickly took two significant actions with respect to desegregation finance. First, the court indicated that desegregation costs were to be considered part of the normal operating costs of running the school system and that they would not be used to impede the remedy process. Two, the court specified those costs that were to be classified as desegregation-related. It was the judge's decision that educational programs were not legitimate desegregation costs, and that they were of secondary importance in comparison with the implementation of a student assignment plan.

Beyond this, the judge, from the outset of the remedy fashioning process, required local school officials to provide detailed cost information on their various proposals. Although there was considerable confusion in the Willow Hills' and the state's initial submissions to the court, more recent submissions proved to be well documented and were not the subject of great debate or controversy.

Though the court played an important role in this process, the judge's requirements could not have been met if school officials had been unwilling or unable to provide the relevant information. Willow Hills had been experiencing financial difficulties for a period of time prior to the court's order. This had required them to take a long, hard look at their budget and efforts were made to control and reduce spending. The control school officials maintained over the budgetary process in order to deal with the various financial difficulties helped them to make reasonable predictions and control costs in the area of desegregation.

This is not to suggest that desegregation costs were not used for political purposes. They were, especially in the initial stages of the remedy formulation process. Once the board decided to comply with the court order, however, it appears that major efforts were made to provide reliable information.

Currently, school officials do not feel there is any need to specifically isolate desegregation costs. Special efforts have been made to consolidate regular and desegregation-related transportation. These cost-efficient measures may, however, create an interesting problem in the future. Should the state be found liable and ordered to share the costs of desegregation, local

school officials would have to disaggregate desegregation costs. Some method would have to be developed to identify the percentage of students bused for desegregation purposes. Ironically, the district's efficiency may come back to haunt it in the sense that its efforts to integrate the transportation system may have resulted in additional desegregation costs being masked by increased efficiency. This may make it more difficult for the district to clearly identify a fair share for the state to pay.

Although budget concerns were of some importance in the decision to eliminate the proposals for educational programs, there is no evidence that budget considerations were the determining factor in the design of the student reassignment plan. Here, school department personnel were motivated by some non-financial factors: the requirements of the court order, the desire to minimize transportation time and distance, and the attempt to maintain this principle in a consistent manner. Efforts were made to keep the plan cost-efficient. These efforts, however, were constrained by other considerations.

The interesting point is that Willow Hills has a very cost-efficient plan. There is some evidence which suggests that there may not have been much difference between the costs of the competing transportation proposals. Comparisons were not computed (except for the leaked "minority" plan which was thought to be flawed). At one point though, school officials indicated that they could not determine whether another plan might be less expensive. One implication of the Willow Hills story may be that an attempt to maximize efficiency within the parameters of non-financial constraints may be an effective way of achieving cost-efficiency.

This attempt to maintain efficiency within the limits of other constraints can be seen with respect to Willow Hills' approach to school closings. Although school officials claimed that closings were on the books prior to the court order, the advent of desegregation provided a context in which closings could be implemented with less severe political repercussions. At one point in fact, the savings resulting from school closings were included in the desegregation budget submitted to the court.

While desegregation provided a context in which to close schools, it also constrained the ability to realize maximum revenues from school closings. The necessity to maintain equity in the transportation plan prohibited the closing of older schools located in predominantly black sections of the city. The desire to have an elementary school located near a child's neighborhood also constrained the school closing policy. Most importantly, the ability to close schools was constrained by the requirement that all schools fall within the court-approved racial balance guidelines.

There is no simple school closing formula in any of the sites we have visited. School officials must learn to deal with multiple considerations simultaneously and decisions are often made on an ad hoc basis. This was the case in Willow Hills as well. However from the outset, these criteria were clearly stated and the multiple concerns were synthesized in the planning for school closings. This contrasts sharply with Riverton, for example, where the multiple issues of facilities planning and desegregation surfaced five years after the district began the desegregation process.

One question raised by the case of Willow Hills concerns how school officials were able to comply with specific court orders (as well as fulfilling their own stated goals and criteria) at the same time that they maintained a cost-efficient program. A number of factors contributed to this. The court's clear position on what constituted legitimate desegregation costs and the requirement that cost data be supplied with each submission helped reduce confusion. The board's compliance and willingness to faithfully implement court orders provided a context in which school officials could work in good faith. The superintendent's directive that necessary financial resources be identified sensitized school officials to differing options and financial possibilities. The capabilities of the staff itself were up to the task.

Each of these factors, no doubt, played some role. Cumulatively, they added up to a situation in which local officials, cognizant of financial concerns, were developing a plan for a district about which they had a good deal of knowledge. Willow Hills officials are quick to point out that designers of all the plans submitted to the court were long-term school employees who had an in-depth knowledge of the system. In this sense, it is interesting to note that desegregation was well coordinated with other programs implemented during the past two years; most specifically, the middle school transition and the graded course of study.

One further way in which desegregation has contributed to a more coordinated and efficient approach to the delivery of school services concerns the district's transportation system. Early in the process, efforts were made to cooperate with the Willow Hills City Transportation Association (WHCTA) to provide part of the transportation required for desegregation. WHCTA officials were, however, very cool to these initial overtures. Recently, however, the idea has been proposed again and WHCTA officials appear to be somewhat more responsive. This is attributed to three factors: the successful implementation of the plan; the "softening" of certain "hardliners" on both the WHCTA Board and the board of education with respect to the desegregation question; and new faces on both boards. Whatever the reasons, this illustrates how successful implementation of

desegregation has lead to further administrative innovations.

Less than two years after the implementation of a district-wide remedy school officials in Willow Hills feel that the major problems of desegregation are behind them. The only dissonance in this regard occurs in connection with their support programs and the attempt to continue to garner ESAA funds for these. The lesson of Willow Hills may be that a lack of conflict may make desegregation less expensive.

LAKEVIEW

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LAKEVIEW

Lakeview is confronting "third generation" desegregation problems. "First" generation problems are those associated with the design of desegregation plans, e.g., devising a pupil assignment system, developing a transportation plan, mobilizing community support. "Second" generation problems are those associated with implementation of the plan, e.g., differential patterns of achievement, disciplinary problems, and development of effective intergroup interaction. However, as these problems are identified and treated, and as the months and years go by, new conditions and problems develop. Changing demographic trends may necessitate revision in the initial student assignment plan. Patterns of judicial monitoring may be changed. Steps to terminate court jurisdiction may become possible. Such was the case in Lakeview.

I. BACKGROUND

Lakeview is a prosperous city. Most of its growth has occurred in this century. Although the city's population now is declining somewhat, the metropolitan area as a whole is experiencing growth. Much of the commercial and industrial development which undergirds that growth has occurred in the core city, contributing to a robust tax base for the schools. That is not to say that the schools are free of financial problems. Tax limitation statutes, increasing proportions of minority and poor students, inflation, and mandated programs in special education and bilingual education have combined in recent years to put pressure on the school district budget. But that pressure has not, to date, resulted in the program reductions, financial crises, and austerity characteristic of many other urban school systems. Lakeview's school managers and school board members are proud of test scores which are above national norms, of new schoolhouses which are being constructed even in the face of declining enrollment, of modern management techniques, and of innovative educational programs.

The school board is popularly elected. Its members appear to have a strong middle-class orientation. Several board members are successful graduates of the Lakeview Public Schools. To these individuals excellence in education is no mere slogan; it is a bona fide goal. But pursuit of that goal does not always prompt harmony among board members. One-vote margins on key policy issues (including desegregation) are not uncommon. Recent board elections have been hotly contested and desegregation-related issues sometimes are decisive factors in elections. Thus, there is a high level of nervousness among top officials; not only their jobs but also the policies which guide their work

seem often to be in jeopardy. Staff members' policy recommendations in controversial matters such as desegregation must somehow steer between elements of the board and community which believe that desegregation efforts are lagging and other elements which believe that desegregation has gone too far.

In an important sense divisions within the board reflect devisions within the community. School-oriented interest groups abound, and the media, while supportive of good education, are quite capable of independent criticism. The board goes out of its way to solicit community reactions to proposed policy decisions. Even budget hearings go far beyond the perfunctoriness found in most cities; citizen comments and citizen input to goal identification are actively sought. Citizen input on matters related to desegregation reflects wide disparities of viewpoint.

Among top-level school officials there also are divisions of opinion. However, these differences are carefully contained and are overlaid by genuine pride in the school system, and by a sense of relief that Lakeview has thus far escaped the malaise prevalent in other cities. Moreover there is not much time for opinion or reflection, for there are endless crises which must be addressed. Many of them grow out of board actions. Some are less than earthshaking, but still consume time and psychic energy. On one recent occasion, for example, a board member who had worked on behalf of desegregation attended a high school play. The caste was not integrated. A minor tempest resulted, and it cost several top-level administrators some anxiety and some time. Other issues are more complex; often they result in the appointment of administrative task forces whose members must neglect their regular duties in favor of whatever study or project has most recently been precipitated by some faction on the board. Indeed on each of our visits there was a crisis afoot, evidenced by last-minute preparations to meet some board-imposed deadline. Thus the relative affluence of Lakeview's school system has not bred lethargy and contentment, at least at the central office level. Administrators often depict themselves as embattled, endeavoring to protect and enhance Lakeview's educational programs in the face of disruptions and obstacles originating at federal or state levels, in the courts, among community groups, and on the board itself. But the response to outside challenges seems to be one of prodigious effort rather than immobilization. The executive level of the school system is marked then, by both affluence and stress.

The Lakeview Public Schools currently serve more than 60,000 students--about one-third less than the number served in 1970. Majority-minority proportions today are about 40%-60%, whereas the proportion was just the reverse before desegregation began in the early 1970s. (An increasing proportion of the 40%

majority population is immigrants whose native tongue is not English; consequently the whole range of issues associated with bilingualism and biculturalism are increasingly severe.) School officials attribute the decline in overall enrollment, as well as the diminishing proportion of majority enrollment, largely to desegregation.

The overall annual school budget is approximately $200,000,000. Federal funds provide 10% of the total; state funds provide 30%; local taxes pay for the rest. The school district is fiscally independent, in that the budget is not subject to review by local municipal officials. However, tax limitation statutes recently have resulted in frequent appeals to—and reviews by—a state financial control board which is empowered to review local school budgets before authorizing tax levies exceeding the statutory maximum. Lakeview school officials claim to detest having to go through the appeals process, but they have rarely managed to avoid it in recent years; perhaps the appeals process is less painful than the budget cuts which would be necessary to avoid it.

The superintendent's most recent budget message (to the board) includes a number of phrases which reflect the district's financial condition. On the positive side,

> [The proposed budget] will enable the continuance of all present program offerings. Class size will remain manageable and may even improve. The services provided in special education...will continue but will require more local funding. The planning for middle schools and the necessary staff development will keep moving forward, as will the long range educational plan...
>
> Lakeview continues to be the exception in urban education. All programs remain intact and students are achieving at or above national norms in nearly every case. Where weaknesses are noted, the materials, supplies, and teachers are there for remediation. The program for gifted and talented children continues to grow and increase achievement levels of elementary and secondary pupils....
>
> ...Evidence of progress surrounds us. The...school buildings are in excellent shape—well maintained and educationally operational. Children have the books, supplies, teachers, and class size that promote optimum learning. Building by building is being updated to meet the requirements of a modern learning environment....(superintendent's budget message).

On the negative side, salary increases, inflation-driven price boosts, soaring energy costs, and mandated programs are taking their toll. The superintendent pointed out that "For the past two years we have been able to cut taxes, but the pressures of inflation and the requirements of mandated programs have erased the gains made." Thus the latest budget was a hold-the-line budget wherein declining enrollments were reflected in commensurate staff reductions, and inflation-based increases were largely absorbed by cost-cutting measures. In this budget, as in its recent predecessors, cost-cutting has largely been a matter of marginal reductions and efforts to contain cost increases; dramatic cuts such as teacher layoffs and wholescale school closings have been avoided.

The budget process itself is quite straightforward. In the spring directors of the district's programs (e.g., elementary education, vocational education, facility services) prepare their budget requests. Normally the requests are simply incremental, taking into account such matters as enrollment changes and adjustments in staff-student ratios. There is no site budgeting, although each principal receives an enrollment-based amount for supplies and materials. In the summer the budget requests are reviewed in terms of estimated receipts. Adjustments are made and a proposed budget later is sent to the board for its review. Following hearings and board approval in the fall, any necessary appeals to the state financial control board are made. By the end of the calendar year adjustments necessitated by the action of the financial control board are made, the tax rate is set, and the budget is adopted.

A special feature of the budget is that it is adopted on a calendar year basis. While this period coincides with the tax year for local property-owners, state revenues are provided on a July-June basis and federal revenues are based on the federal fiscal year (October-August). Thus, for the 12-month period which begins on January 1 local revenues can be predicted with some certitude, but state revenues for the second half of the year (July through December) are uncertain until after the legislature has met and appropriated funds sometime prior to its June adjournment. Federal funds, of course, are reasonably certain for the first nine months of the Lakeview schools' fiscal year, but for the last three months the actual amount of federal assistance is dependent upon matters not clearly foreseeable at the time the Lakeview budget is prepared and adopted. Thus, the district's budget, while clearly intended to be a financial management plan, incorporates some calendar-based uncertainties which may require or permit periodic revisions.

Examination of the current Lakeview budgets does not reveal much about the magnitude or significance of desegregation. True, the superintendent's budget message contains a reference

to "continuation of progress toward a unitary school system." Scattered among the 140+ pages of budgetary information one can find occasional references to desegregation-related activities. For example, the Intergovernmental Relations Office, with a budget of $130,000, initiates and monitors federal programs which include ESAA. The Health and Social Services Department lists, as one of its functions, enforcement of court-ordered pupil assignments. The Transportation Department request is accompanied by a note indicating that whereas past increases were due in part to desegregation orders, the most recent increases have been for special and vocational education. There is a $25,000 item called "Cost of Implementing District Court Orders"; no detail is provided, though it is noted that two years previously the budgeted amount had been over $200,000. Included among the 20 pages listing federally-assisted programs is one page reflecting ESAA funds amounting to $1.2 million. But there is no breakout of overall desegregation costs.

The obscurity of the budget's references to desegregation is largely an artifact of the statutorily-prescribed way in which budgets are built and presented in Lakeview (which is not dissimilar from that of other cities we studied). But it also is symptomatic, we believe, of a deeply-held and widely-shared desire by school officials to downplay desegregation-related events. In the first half of the 1970s desegregation had had a profoundly divisive and demoralizing effect on the school board and the community. The issue was itself conflict-laden, and its resolution had necessitated externally-imposed changes in a school system accustomed to managing its own affairs. The school officials with whom we talked did not want to rekindle old aggravations related to desegregation. Moreover they fervently wished to be free of court supervision. This is not to say that they, or the community for that matter, wished to return to the old segregated ways. Rather, their view seemed to be that the task of desegregation had been onerous, that it had been discharged competently, and that now there were new problems and prospects more deserving of attention and efforts. But desegregation-related events which transpired shortly before the beginning of our study meant that problems associated with desegregation were again to become major agenda items. These events were preoccupations during the period of our study, and at the time of our last visit still had not reached a point of resolution.

II. DESEGREGATION THROUGH 1979

Court-ordered desegregation came to Lakeview in the mid-1970s, following years of all-out legal resistance by board attorneys. A plan prepared under court auspices (rather than by the defendants or the plaintiffs) was ordered. That plan was essentially a racial balance and student reassignment system which used

rezoning and pairing techniques and which necessitated substantial additional busing. (The proportion riding buses rose from 17% to 40%.) The plan also included affirmative action and staff development components. There were no educational components (e.g., magnet schools, compensatory programs). The early emphasis on racial balance evidently led to the belief that a unitary school system was one in which all schools were alike in terms of ethnic composition. It was not until shortly before our visit that the court declared that the creation of a unitary system required more than that.

Once it became clear that desegregation would have to proceed, there was widespread community resolve to accomplish desegregation peaceably. Implementation of the court-ordered plan proceeded smoothly and without community violence. As several people pointed out to us, the success did not necessarily reflect changed attitudes toward racial matters; rather it represented a decision to comply with the letter of the law. Reports from the implementation period suggest that schools officials tended to view desegregation as an intrusion which was tolerable because it was legally required. No one with whom we spoke viewed the events as an opportunity for pursuing educational reform and improvement. Neither did we find any sense that desegregation had been resisted, evaded, or delayed. Once ordered, desegregation simply was to be accomplished as expeditiously as possible, so that the whole matter could be put behind. A recent Lakeview Annual Report does not even mention the fact of desegregation.

However, by the fourth year of desegregation it began to appear that the student assignment system developed for Lakeview would have to be reviewed in the near future. Earlier the court had agreed to a temporary moratorium on student reassignment, on the grounds that a period of stabilization would be desirable following the initial dislocations caused by desegregation. However, the moratorium was about to expire. A court-appointed monitoring group reported that some Lakeview schools were out of compliance with the initial desegregation order, in that the percentages of white students was too high or too low. Some of the apparent non-compliance was due to changes in the ethnic composition of the neighborhood populations, resulting in racial balances that were outside the agreed-upon standard (± 15% of the citywide average). However, other non-compliance was problemated in that its presence or absence depended upon whether one used the citywide average that prevailed at the time the inital desegregation order was issued, or the citywide average prevailing several years later when the percentage of majority students, i.e., white students, had declined substantially.

Additional pressure for review of pupil assignment procedures stemmed from concern about declining enrollment and the possible need to close schools. Evidently Lakeview had no school closing policy. A building utilization committee had been established to

consider ways of approaching the problem of excess space. The court-appointed monitoring commission urged the court to take steps to ensure that decisions on school closings would not proceed without reference to the requirements of desegregation in Lakeview. Late in 1978 the board directed its already-established desegregation task force (composed of school administrators) to prepare a report "on the need to recommend changes, if any, in existing pupil assignments." The task force was to consider changing population trends, the work of the school building utilization committee, and maintenance of educational program quality. The task force's report was to go to the board of education, which was to submit its recommendations on pupil reassignment to the court by late Spring, 1979.

The task force's report indicates that additional criteria were deemed important by the task force itself. One was financial. "Minimizing cost" and "minimizing equipment and fuel requirement" were listed high among the list of criteria considered by the task force. Another criterion was classically bureaucratic: disruption was to be minimized in terms of changes in program, changes in student assignments, and community destabilization. The "minimal disruption" criterion seemed to reflect the task force members' view that substantial reassignments were neither necessary nor desirable. Speaking to necessity, the task force report prominently quoted the Supreme Court's Swann language:

> Neither school authorities nor district courts are constitutionally required to make year-by-year adjustments of the racial composition of student bodies once the affirmative duty to desegregate has been accomplished and racial discrimination through official action has been eliminated from the system (Task Force Report).

Evidently task force members believe that their constitutional duty had been discharged. Their review of enrollment revealed "surges" in the long-time pattern of decline whenever there was a court order requiring student reassignment. Such surges were seen as undesirable--perhaps because they aggravated all of the problems associated with enrollment decline (school closings, staff layoffs, lost state aid, heightened per pupil costs, etc.) and perhaps because the decline was most acute among white students, thus threatening the stability of desegregation itself.

The task force's report presented information about specific schools which had been claimed to be out of compliance with the court's guidelines. In some cases the claims were countered; in others possibilities for minor remedial adjustments were outlined. The implicit premise was very apparent: localize and minimize changes in student assignments, while still maintaining compliance

with the court. There was to be no grand revision or overhaul of the existing plan. Nonetheless the report did include a sketchy outline for an entirely new student assignment system which featured parental choice and an enhanced array of educational options. Such a plan, it was suggested, might serve as a model for the entire nation. However only a "conceptual" outline was presented; details were entirely lacking.

Responding to the school board's mandate that student reassignment planning be coordinated with the school building utilization committee, the task force presented options for reassigning students from 12 elementary schools which had been designated as candidates for closing. The options were designed to conform to the court's racial balance criterion. Some required additional busing.

Following its receipt of the task force report in February, 1979, the board of education scheduled forums in which community input was solicited. There was strong opposition to school closings. In April, the board voted to close only four schools, reassigning students from these schools along the lines suggested by the task force. But the board evidently was dissatisfied with the staff work it received. Clearly there was board opposition to school closings: only four (of a possible ten) were to be closed, and the board adopted a resolution that it would not close any more schools for three years. Conscious of the financial implications of keeping excess schools open, the staff was directed

> to provide data on the net savings in overall costs achieved as a result of these closings, including any additional transportation required. These computations should address the possible alternative uses for the facilities no longer in use as elementary schools. Staff is also directed to seek alternate means to achieve the cost savings projected as a result of the recommended closings of other schools (minutes, board of education).

Furthermore, even the closed schools were not to be razed or boarded up. Buildings used at less than 50% of capacity were to be studied in terms of possibilities for multiple occupance. (Later calculations by the staff indicated savings ranging from $100,000 to $200,000 for each of the closed schools.)

The board also was displeased, it seems, by what it took to be the piecemeal and ameliorative strategy of the task force. A more comprehensive approach was sought. To that end, the staff was directed to "begin an indepth study of citywide demographic trends and vital statistics to identify the numbers and residences of future school populations." Further changes in pupil assignments were to be delayed until the demographic study was completed;

that would not occur until the 1980 Census results were available.

The desegregation monitoring commission apparently viewed the board's actions as a stall aimed at delaying correction of social imbalances which were developing in Lakeview's schools.

School closings and student reassignments required court approval, and so in May 1979 the task force report, the board's action, and the monitoring commision's views went to the district court for hearings and decisions. The ensuing weeks set the stage for the tense and tumultuous events that were unfolding during the period of our study of Lakeview.

III. DESEGREGATION, 1979-80

Court hearings in the summer of 1979 focused on the board's decisions on school closings and student reassignments for 1979-80. In a July opinion and order, the court approved the closings. However, some of the student reassignments proposed by the board (to produce balance in several out-of-compliance schools) were rejected by the court, which preferred the recommendations made by the monitoring group. Once again then, Lakeview involuntarily was subjected to a court order.

The court went on to make some other observations about desegregation in Lakeview. First, it noted, reassignment of students did not, by itself, satisfy the district's affirmative duty to eliminate the vestiges of segregation and to establish a unitary system. Establishment of racial balance in the schools was only a starting point. Other elements might include the hiring, training and assignment of teachers, administrative support, extracurricular activities, physical facilities, and "cultural orientation." Based upon the proposals submitted by the board, reports of public hearings preceding those proposals, and subsequent hearings before the court itself, the judge concluded that

> there may be some misunderstanding or failure of perception concerning the scope of the affirmative duty which the constitutional requirement of equal educational opportunity has imposed upon the defendant school district. There is such a consistency of reference to the [racial balance] guidelines as to suggest that an adherence to that ratio in each school building is an adequate compliance with this court's mandate. That clearly is not the case.
>
> ...What is important is the educational experience provided for each student in the school system during the time of the thirteen years of exposure to it. The

objective of public education is to enable persons to achieve the ability to function as contributing citizens in a pluralistic society of ordered liberty (court order).

To the court it appeared that the board's proposals were too "mechanistic," too heavily predicated upon the goal of avoiding white flight, and "pursued without adequate regard for the particular persons most directly affected." The court, evidently responding to reports of public hearings upon the task force report, took note of citizens' testimony that school closings were being proposed in neighborhoods which were becoming naturally integrated. Said the court,

> If these perceptions (about trends toward neighborhood integration) are accurate and if such trends do develop, the future of the Lakeview School system will be serene and secure. Residential growth with natural integration will contribute much to the achievement of a unitary system with racial neutrality. The process may be materially assisted and advanced by creative new proposals for educational enhancement during the time of transition. This court stands ready to receive and consider such proposals (emphasis added).

Then, following a rebuke to the desegregation task force for its "apparent resistance" to the assessments and suggestions made by the court's desegregation monitoring commission, the judge went on to criticize the board for having declared a moratorium on further school closings. The moratorium was "arbitrary," "inconsistent with the affirmative obligations of the board," and "specifically rejected by the court." The Lakeview School District would have to do better than that before it could free itself of court jurisdiction.

The board of education reacted vigorously. A special committee was established. School officials and citizens served on the committee, which had a full-time staff of its own. The committee was directed to conduct the previously authorized study of long-term demographic trends, to identify opportunities for educational enhancement, and then to report its findings to the board of education within six months. (The term "educational enhancement" evidently was borrowed from the court; however, the charge to the committee downplayed the judicial origins of the task assigned.) The committee's report, called "Lakeview Schools Look to the Future," reflected a prodigious amount of work. The demographic study, based on interviews with a randomly selected citywide sample of residences, projected the location, ethnic composition, and age structure of the city's population for the next five years. A long-term pattern of decline was forecast. Ideas for educational enhancement included programs in early childhood education, conversion of junior high schools to middle schools, introduction of

alternative high school programs, creation of a staff academy, and mastery learning programs. Also included in the report of the special committee were data on community input which had been solicited during the planning process. The report clearly was intended to provide a basis for future discussion and action. Perhaps it did so; at least the superintendent referred to it in his next budget message. However, attention to "Lakeview Schools Look to the Future" quickly was eclipsed by the fall-out from a second board initiative which had been launched following the court's 1979 order.

In view of the court's refusal to approve the board's decision delaying further reassignments, a new Pupil Assignment Task Force (PATF) was created by the board. A staff committee, its charge was to prepare a study of reassignment possibilities. Its work was to be done in light of the demographic projections being conducted by the special committee, and particularly in view of the court's encouragement of the idea of "natural integration." Evidently the PATF was to try to identify neighborhoods which could be removed from the artificial pairings and adjunct* arrangements which had been devised years earlier when desegregation first began. The PATF eventually identified about a dozen schools which could be removed from the special pairings and added to the number of areas defined as naturally integrated. These changes would result in a net reduction in the number of students bused, and in commensurate financial savings. However, since removing one school from a pair usually left the other one segregated, there was a ripple effect: new rezonings and pairings had to be created, and a new adjunct attendance area also was created. Unfortunately for the task force, several of the ripples were felt in the politically powerful and articulate Oak Knoll section of Lakeview. When the board, following its custom, scheduled hearings on the PATF recommendations, residents of the Oak Knoll section turned out en masse. Newspaper accounts of the hearings reflect vocal condemnation of the task force. In addition to the opposition from Oak Knollers, there was opposition from parents whose children were reassigned from one school to a closer school; evidently these parents felt that inasmuch as their children were being bused anyway, they preferred stability to change, even if a shorter bus ride was the payoff. While there was support from some quarters, the general tenor of the hearings was that the task force had gone too far and that its proposals—made in the name of furthering natural integration and justified on both

*"Adjuncts" are neighborhoods with no schools. Students in such neighborhoods are assigned to schools in a way designed to foster racial balance. Unlike neighborhoods whose schools participate in the "pairings" assignment system, adjunct neighborhoods must participate in busing throughout grades 1-6.

financial and legal grounds--were too disruptive. One parent summarized the prevailing tone this way: "If it works, don't fix it" (press account).

The board, which to this point had done little more than create committees and receive their reports, picked this particular moment to reveal its own internal divisions. A faction opposed to desegregation presented a resolution which asked the court to release jurisdiction and which proposed to create a student assignment system in which all Lakeview children would attend the closest neighborhood school. The resolution failed--by one vote. Subsequently the board voted to accept that portion of the task force report which dealt with assignment of students to a new secondary school that was about to open, and repudiated the rest of the PATF's recommendations. Its members, who had labored diligently on a technically-complex task, and who had made proposals which they deemed to be consistent with the court's mandate and with the need for minimizing disruption in the schools and community, were not pleased by the board's treatment of them or their report.

Now the board had a dilemma. It was supposed to be reporting to the court on pupil assignments for 1980-81. But one of its staff committees had recommended a major reorganization of the school system (shifting from junior high schools to middle schools); even if accepted the recommendation could not be implemented until 1981-82, and in any event studies of the reorganization's implications for racial balance remained to be done. A second committee appointed by the board had turned in some recommendations for reassignments, but those had been rejected. The board reacted in classic fashion. It created a new committee--this one composed of some board members, some community leaders, and some school administrators. This "Steering Committee" was to report back to the board within a month. It was to make recommendations on student assignments, and it was to do so in the context of a conception of a "unitary school system." The court had not provided one, but it had rejected the district's previous conception of unitary (racially balanced) schools. Perhaps the steering committee could fill the void.

Six months later, at the time of our last visit to Lakeview, the void-filling process still was under way. The steering committee had recommended (and the court had granted) a one-year extension of time on submitting proposals for further pupil reassignments--an extension abetted in part by the board's decision to move to the middle school program, necessitating reassignment of all ninth grade students. Despite opposition from the court's monitors, approval also had been granted for at least a temporary assignment system for the new secondary school; this in turn had created new racial imbalance problems, but did result in an overall reduction in busing and in financial savings.

With these small-scale accomplishments in hand, the steering committee then proceeded to address two monumental problems. First, in view of the court's apparent invitation to come forth with a definition of a unitary school system, the committee proceeded to create one. Fifteen criteria or standards had been devised at the time of our last visit, and they were then in the process of refinement and community review. The standards clearly went far beyond the narrower conception (racial balance) which heretofore had prevailed in Lakeview. Second, in apparent opposition to the PATF's strategy of minimizing disruption, and in further apparent opposition to the community protests that even the PATF's recommendations were too disruptive, the steering committee attempted to devise an entirely new student assignment system. Proposals for redrawing attendance areas were under consideration late in the fall, and there were hopes for a December presentation to the board and community. PATF members were observing all of this with mixed feelings. While supportive of the steering committee's aspirations and admiring of the enormity of the effort being put forth, they anticipated an immense community uproar. Perhaps their own more modest and less disruptive proposals of the previous spring would emerge again. The situation represented, to our way of thinking, a classic confrontation between competing views of organizational management. On the one hand were technocrats who sought to minimize turmoil, who adopted an ameliorative stance toward problem-solving and who presented proposals representing a high level of technical competence. On the other was a group of reformers who attempted to be responsive to community input, who thought about problems in terms of larger contexts of policy and change, and whose familiarity with the day to day workings of a large school system was limited.

While all of this was going on, the school system, of course, continued to function. Budgets were prepared; funds were obligated; programs were launched and terminated. Our goal was to identify the financial components of these activities insofar as they pertained to desegregation.

IV. DESEGREGATION COMPONENTS

In the following sections we discuss relationships between financial considerations and desegregation with respect to (1) facilities, (2) pupil assignment and transportation, (3) affirmative action, (4) staff development, and (5) educational components. While our descriptions are based in part on the events reported above, they also encompass information gleaned from conversations with Lakeview officials engaged in the regular routines of school system management.

Facilities

Lakeview school officials take great pride in their school facilities. Because so much of the city's growth has occurred in recent decades, many of the schools are quite new. During the 1950s new buildings were opened at the rate of three elementary schools and one secondary school each year. Although the pace of new construction is slower now, new schools continue to be built, particularly in recently-annexed outlying portions of the city where the process of converting vacant land into housing tracts continues even as the central portion of the city loses population. In the older portions of the city the schools are well maintained; many have been modernized through renovations and additions.

The most recent long-range facilities plan, which was adopted five years ago and is about to run its course, indicates that capital planning is predicated upon two major premises: old schools are to be modernized and new schools are to be built in areas of growing population. Implementation of the plan has been limited only by the availability of funds for capital construction.

By the time of our visits to Lakeview it had become apparent that the old policy was inadequate. One school official described it as "contradictory and irrational" to be building new schools in some portions of the city while there was a large and growing surplus of space in other portions of the city. Sooner or later, this official surmised, the problem of overcapacity would have to be addressed.

The school board was cognizant of the problem. Indeed it had created a school utilization committee to study the situation. But when closings were proposed in the spring of 1978 community opposition was so great that only four schools were closed and the board registered its oppostion to further closings. But the problem surfaced again.

Desegregation-related events which occurred just before and during our visits drew attention to the need for a policy relating school closing decisions and school construction decisions to the imperatives of desegregation. In 1979 the desegregation task force had been directed to address the relationships between school closings and desegregation. The piecemeal and ameliorative strategy of the committee, its single-minded pursuit of the goal of racial balance, and objections raised by citizens and by the court had pointed to the need for new policy. But neither the board nor the court proposed new policy. A year later the reception given to the work of the pupil assignment task force--particularly with respect to assignment of students to the about-to-open new Hilltop secondary school--revealed similar disaffection with existing policy premises. This disaffection played a major part in the creation of the steering committee which has been wrestling with the problems of middle

schools, demographic trends, creation of a definition of a unitary school system, development of a new pupil assignment strategy, and proposals for educational enhancement. However, as nearly as we could ascertain the committee thus far has failed to address the school facility issues (new construction and school closings) which figured so prominently in the committee's own birth.

The court has played a particularly anomalous role in all of this. The initial court-ordered desegregation plan focused almost exclusively upon the matter of achieving racial balance through pupil reassignment. No attention was given to the implications of school closings and school openings, though it soon became apparent that court approval would be required for such events inasmuch as they had implications for racial balance. It was not until 1979 and 1980, when presented with requests for such approval, that the court indicated that school closings, school openings, and desegregation might be examined in terms more comprehensive than mere racial balance.

But the court was rather vague in specifying what these terms might be. At best, the court had sent out some unarticulated clues. One, according to an official within the school system, occurred early in the desegregation process when the district had proposed to build a replacement school at a site which would permit closing of some older and racially-isolated schools. The replacement school would be naturally integrated. However, protests from the affected neighborhood led the court to scuttle the proposal, we were told. Second, the court had approved the construction of the new Hilltop Secondary School which would serve an area of the city which was predominantly minority and whose resident children otherwise would have to be bused for both their junior and senior high school years. (Later it became apparent that racial balance in Hilltop could be achieved only by stretching the racial balance guideline, or by busing in some white students.) Third, the court had indicated that it wanted schools which would foster natural integration; this preference had led to the PATF and the ensuing uproar in early 1980.

Collectively the court's actions seemed to indicate approval of the neighborhood school concept. Schools in naturally integrated neighborhoods were to be encouraged. Schools could be built in neighborhoods which did not have them. And where neighborhood schools already existed, they were to be preserved. All of this could be accomplished under the guise of desegregation, the court appears to have believed, through adjustment in the pupil assignment system which assured that students would attend neighborhood schools for at least some portion of their school careers. But the technical and political problems of implementing that belief were becoming increasingly apparent in 1979 and 1980.

Ironically then, the court appears to have perpetuated the traditional Lakeview approach to school facilities (i.e., build new schools in growing neighborhoods, and renovate old schools). Thus continued capital expenditure is being encouraged. School personnel, accustomed to such expenditure, supported by the neighborhood beneficiaries of new construction and renovations, and cognizant of protests surrounding proposals to close schools, have thus far not developed a long-range policy which accommodates the demands of the court and the neighborhoods, on the one hand, with drastic enrollment decline on the other. Initial efforts to deal with the problem have brought no resolution of it.

School officials and board members, sensitive to the school and community dislocations caused by desegregation, are not eager to precipitate the further problems which would be triggered by substantial school closings or by refusal to build new schools and renovate old ones. So long as funds continue to be available for these purposes, there seem to be no problems which absolutely demand resolution. Moreover, it appears, desegregation serves to mask the economies which might be accomplished by school closings. This occurs in three ways. First, and most obvious, students from closed schools cannot simply be assigned to the nearest open school; their assignment must be predicated upon the demands of racial balance, and hence may entail substantial transportation--which in turn involves both financial and political costs. Second, in an apparent effort to limit the feasibility of establishing segregation academies, the board has decreed that closed schools cannot be sold or leased to competitors which might establish private schools in former district schools--thus limiting the potential income from school closings. Finally, to the extent that school officials are correct in their contentions that desegregation itself has prompted enrollment decline, that decline simultaneously has created financial slack that may have postponed the day when the inefficiencies of excess space will have to be addressed. This is possible in Lakeview because, in contrast to other cities which are heavily dependent upon ADA-based state aid formulas, Lakeview derives most of its revenues from local property taxes. In growing Lakeview, substantial revenue increments are produced each year. As revenues go up and enrollment goes down, sharp rises in per pupil expenditures are possible, and the incentive for major cost-cutting devices (such as school closing) remains low.

Pupil Assignment and Transportation

The desegregation plan initially ordered by the court was little more than a student assignment system designed to produce racial balance at all schools in Lakeview. Three types of reassignments were utilized. The first--"rezoning"--was accomplished by redrawing the boundaries of school attendance areas so as to maximize racial balance within each area. Previously these boundaries had

sometimes been drawn to foster segregation; now they were redrawn to foster desegregation. About 30 % of Lakeview's elementary schools were desegregated using this technique; in these schools the proportion of white students fell within the limits required by the court. Transportation was not required for students attending these "naturally desegregated" schools, except in cases where the population was so sparse, or the attendance area so peculiarly-shaped that walking distances exceeded one mile. The second technique utilized "adjunct" attendance areas. In these areas there was no neighborhood elementary school. Students residing in the adjunct areas were assigned to attend some other school where their presence would contribute to racial balance. About 20% of Lakeview's elementary schools were desegregated through the use of adjunct assignments; about 10% of Lakeview's elementary students lived in the adjunct zones. Transportation usually was reqired of these students inasmuch as the schools to which the students were assigned usually were at considerable distance from their home neighborhood. The third technique established school pairings. Pairings involved two schools whose combined student membership fell within the court's racial balance guidelines, even though each school itself was segregated. Students from both schools attended one of the paired schools for grades 1-3 and the other for grades 4-6. Transportation often was required; students would be bused for either the primary or intermediate grades and would be in their neighborhood schools for the other grades. About one-half of Lakeview's elementary schools were paired.

At the junior and senior high school levels pairings were not feasible. Here rezoning and the adjunct attendance areas were used to achieve racial balance. Particularly for students living in adjunct areas, transportation was necessary.

Available figures indicate that about 27% of Lakeview's students are bused for desegregation each year. Another 14% are bused because they participate in special education programs or in citywide schools such as those offering vocational education, or because they live too far from the nearest school. The annual transportation bill currently amounts to $7.5 million, or 4.5% of the total operating budget. About two-thirds of this amount, or $5 million, must come from local sources. State transportation aid covers the rest. It is not clear whether the proportion of busing costs attributable to desegregation is perfectly correlated with the proportion of students who are bused for desegregation. The per pupil costs of busing for special education students are very high due to the need for specially-equipped buses, specially-trained personnel, and long routes. The transportation department reports that 21% of busing costs are attributable to the 5% of students who are classified as special. (However, the local burden is not that high because the state reimbursement rate for special education transportation is much higher than it is for other categories of transported students.) Students who are transported for desegregation

often have very long distances to travel, boosting the per pupil costs. Assuming that these special features may cancel each other out, the costs of transportation for desegregation may amount to as much as $5 million annually, with two-thirds of this amount provided from local taxes.

In view of the high costs of transportation for desegregation, and in view of district-wide cost-containment endeavors, it is not surprising that the expiration of the court-approved moratorium on student reassignments was accompanied by administrators' interest in cost reduction. While the court itself did not appear to care about cost considerations--indeed it was believed that the court-appointed expert who drew up the pupil assignment system had not been at all concerned with minimizing transportation costs--by the late 1970s the district was having to trim costs, or at least think about that possibility. Rapid boosts in gasoline prices undoubtedly contributed further to the desire to reduce transportation costs.

Interest in cost reduction surfaced in the 1979 report of the desegregation task force which was charged with the task of considering school closings and pupil reassignments. The report specifically cited its members' desire to minimize fuel and equipment requirements and to minimize transportation time and distance. However, the task force was not able to proceed very far toward realization of these goals. For one thing, school closings often entailed additional transportation, particularly in view of the need to reassign students from closed schools in a manner which assured that racial imbalances would not be created. Reassignments could not be made to the nearest school; they had to be made to the nearest school where racial balance would not be adversely affected. Often this was at considerable distance. The whole assignment scheme was so delicately balanced that changes in one part threatened the viability of the whole structure and the task force was determined to minimize disruption. Clearly any realignment of pupil assignment patterns, even if done in the name of financial efficiency, would be disruptive to the affected families. As a result the task force, despite its avowed interest in cutting transportation costs, made no significant progress in that direction.

Following the court's 1979 order a new pupil assignment task force (PATF) was created. It was charged with the task of identifying reassignment possibilities which would permit designation of more schools as "naturally integrated." This possibility arose, of course, because of shifts in student population in the interval since the court-designed plan was adopted. These shifts permitted the definition of a new standard of racial balance, and also meant that some neighborhoods had, through their own mobility patterns, shifted into or out of compliance. The PATF also was charged with the task of devising an assignment system for the new Hilltop Secondary School which was to open the following autumn.

Like the reassignment committee which preceded it, the PATF was interested in finding ways of reducing transportation costs. It successfully did so in the case of Hilltop, whose opening would result in the ending of transportation for more than 1,500 students, albeit at the risk of coming perilously close to the court-established limits of racial balance not only at Hilltop but also at the school which Hilltop students formerly had attended. Thus there was the risk of court disapproval, or of the need to do still more reassignment in the very near future. Nonetheless the transportation saving was impressive ($200,000-$300,000) and it was widely publicized. Moreover, in the event that Hilltop was found to be out of compliance, there was a potential adjunct area which could be created at a location not too far from Hilltop, hence minimizing time and distance traveled. Unfortunately for the planners, the area happened to be vocal and politically powerful, and the resultant protests helped scuttle the task force's proposals in other areas. In several of these areas the proposed reassignments clearly were designed to reduce time and distance of travel, and hence to reduce transportation costs. But, as noted previously, the parent protesters were not much interested in reducing time and distance for their children. If children were to be bused, parents indicated that they preferred the status quo over a change in destination. Once again then (with the exception of proposals relating to Hilltop) school officials gained no ground in their quest to reduce transportation costs.

Put differently, cost reduction was an avowed but largely unused determinant of decisions pertaining to student reassignment in Lakeview. Cost reductions undoubtedly were possible. But the district's financial position was not so severe that cost reductions had to be accomplished at any political price. Evidently both school officials and parents wanted to minimize disruption, and were willing to tolerate concomitant excess costs; indeed the PATF's limited attempts to foster reductions in transportation through a realignment of portions of the old assignment system provoked the wrath of both the community and the board. Thus the trade-off was clear: stability of the assignment system would be purchased at the price of higher-than-necessary transportation costs.

It is not possible to calculate the magnitude of these costs. The reasons for the impossibility are largely technical, and we do not pretend to fully understand them. However, we caught glimpses of the complexity of the problem. One already has been alluded to: transportation costs are not disaggregated by function (after-school, vocational, distance, special, desegregation, etc.). Even if they were, there would be great variations within functions, depending on such matters as routing, density, and time and distance factors. Second, reduction in the numbers transported is not necessarily commensurate with cost reductions. This was nicely illustrated in the case of Hilltop, where its opening resulted in the termination of transportation for 1,500 students. But the buses still

had to run, for each bus makes two runs: one for elementary students and one for secondary. Elementary students still required transportation. Thus with the opening of Hilltop the running time could be reduced, so that part-time rather than full-time drivers could be used. But there could be no reduction in the number of buses used, or in the costs associated with the mere existence of a vehicle (depreciation, service, storage, inspection). A third factor inhibiting calculation of the magnitude of desegregation transportation costs is the most complex one: it is not possible to devise a careful cost calculation until the assignment system is itself devised. Only then is it possible to devise the routing system which is most cost-effective for those assignments. In Lakeview, with one exception, no one has tackled the volatile and complex business of designing a whole new assignment system and of comparing its costs with the costs of the prior system.

The exception, of course, was the steering committee whose work was under way as we completed our study of Lakeview. The committee was hard at work developing a brand new assignment system. The school managers who were assisting the work of the committee were endeavoring to be conscious of transportation cost considerations. But is was not clear that the committee members themselves shared that interest. Political considerations, i.e., who would be bused, and where, appeared to be taking precedence. Moreover, in the committee's rush to complete all of its many tasks it probably did not have the inclination or the time or the resources necessary to produce useable cost information for each of the student assignment options being considered. Like the court-appointed expert who devised the initial assignment system, the board-appointed steering committee evidently relegated transportation costs to a subordinate or implicit position in its list of concerns. In fact the steering committee's initial formulation of a definition of a unitary school system completely ignored financial concerns, except to note that equity would involve a need-based unequal allocation of resources.

Affirmative Action

The original court-ordered desegregation plan in Lakeview included an affirmative action component. When desegregation began the school population was 45% minority, but only 14% of the teachers and 13% of the administrators were from minority groups. Goals were set. By 1980 the proportion of minority teachers was supposed to rise to 24% and the proportion of minority administrators was supposed to rise to 21%. The actual proportions at the beginning of the 1980-81 school year were 21% and 23% respectively. These results were accomplished at some expense to the district: extensive recruitment efforts, collaborative programs with colleges and universities, staff development and promotion programs, and adoption of a policy favoring access to transitional positions by minority personnel. But these expenses were minor, it appears, and

were not described to us as desegregation costs, per se.

Despite successes registered through 1980, district officials expressed pessimism about being able to meet additional goals. Much of the pessimism was based on social and economic factors beyond their control. Continued enrollment decline had sharply cut the number of openings available for new employees. The number of minority trainees in higher education programs was falling off. Moreover, the minority employment levels already attained exceeded the proportion of prospective qualified applicants in the local labor market, which evidently had been scoured by district recruiters. Thus, while district administrators were rightly proud of their accomplishments in affirmative action since the court order years ago, they thought it unlikely that they could continue to meet goals set before current conditions were foreseen. It is not yet clear how the Lakeview district's affirmative action efforts will respond to these new conditions. Thus, there is no way of ascertaining the financial determinants or consequences of the response.

Staff Development: Human Relations

The initial court-ordered desegregation plan required the creation and implementation of a staff development program emphasizing human relations. Such a program was deemed to be important in helping children adjust to the stresses of reassignment and in helping to avoid or prepare for any disruptions that might accompany desegregation. After helping staff members prepare for these initial problems of implementation, the human relations development program was to be a continuous one aimed at (1) resolving desegregation-related problems identified at the school building or system level, and (2) training new members of the staff.

Responsibility for the human relations development program was lodged in a special office of human relations (OHR) which was charged with the task of helping to identify needs, providing trainers, approving building-level training proposals, and providing material for reporting to the court. The office's orientation can be gleaned from the language of a report recently prepared for the board of education:

> Court ordered integration meant some change for all schools in the Lakeview district. Schools found themselves dealing with increased diversity in customs, habits, language, and learning patterns. Success in coping with these differences has varied with the experience and the quantity of transferred personnel. Students involved in school changes as a result of integration faced adjustments beyond any they had previously experienced; consequently the need for careful planning for school adjustment sometimes was compounded for many children. Helping students move from a social pattern

of isolation to one of optimal interaction presents the most formidable challenge to urban education today. Great effort is directed toward helping the young people in our schools today grow and develop unburdened by the prejudices that have encumbered the present adult generation.

It is recognized that administrators, teachers, counselors, secretaries, custodians, paraprofessionals, lunchroom workers, and all personnel, who experience mutual respect and collaborative involvement, can create a humanized, caring school that meets the needs of today's youth (report to the board of education).

The OHR, with a four-person staff, continues to function today, to the tune of about $150,000 per year in local school funds. However, the office's function is not narrowly related to desegregation. Rather it aims at a host of human relations problems. A recent report of activities cited staff development programs aimed at topics such as learning disabilities, mastery learning, individual difference, conflict resolution, values clarification, school-parent activities, child abuse, and nutrition. Moreover, the OHR is responsible for helping to revamp the district's approach to the delivery of counseling and advising services to students. The most recent budget proposal anticipates that OHR will play an important role in the PUSH/EXCEL program being promoted by Reverend Jesse Jackson, in the event that Lakeview participates. Thus, many of the OHR's interests and activities, as well as its budget, have an impetus independent of the court's order.

At the time of our last visit to Lakeview the future course of the human relations program was being discussed by attorneys involved in the desegregation case. Language for a stipulated agreement was being devised. The language provided for continuation of district efforts in an area of intergroup relations training, these efforts to be pursued through building-level committees whose members were to be representative of ethnic groups and whose activities were to be regularly reported to the court. The language of the proposed stipulation contains no indication that financial considerations played any part in the design of the program, or that financial limitations would inhibit its operation.

Desegregation-related staff development efforts are not limited solely to the OHR. There is an older and larger staff development department within the Lakeview school system. Traditionally, we were told, the department has had a "cognitive" orientation, as it specialized in curriculum development and related training activities. However, under desegregation the staff development department has been the recipient of new duties and resources, thanks largely to the Emergency School Assistance Act. For 1980-81 the district requested ESAA staff development funds amounting to $360,000. The funds were to be used to hire

eight specialists (parent and teacher trainers), to provide released time for teachers, and to purchase supplies and materials. Training needs were to be identified on an individual, building-level, and system-wide basis, and were to be addressed in ways which would help teachers engage in self-renewal activities designed to combat the stresses and problems they daily encountered--stresses and problems partially related to the advent of desegregation in Lakeview. Federal officials viewed the application with favor, but felt that the funding request was excessive. Eventually a negotiated award of $150,000 was agreed upon, permitting the employment of four of the proposed specialists.

A second ESAA-supported staff development project was oriented to the improvement of skills and attitudes pertaining to student reassignments at the elementary school level. Training activities were to be offered to parents, bus drivers, and teachers; the training was to be designed to improve communications between distinct and culturally different neighborhoods, to help develop identification with new schools, and to ease the problems of transportation. Activities were to be site-based, and assisted by three central office personnel. Federal officials liked the project, providing funds for 90% of the initial $150,000 requested.

Educational Program Components

Until the 1979 court order Lakeview school officials, as we have indicated, were inclined to downplay the significance of desegregation and limit its scope to the areas of pupil assignment and staff development. School district publications, including the budget and various public information documents, scarcely mentioned the fact of court-ordered desegregation. The district's instructional programs tended to be described without reference to desegregation, per se. The basic posture of the district's staff seems to have been that instructional programs were initiated and maintained simply because they were educationally sound, not because they were necessitated or inspired by desegregation.

However, when one turns to the district's applications for federal assistance, a rather different picture comes into focus. In the face of opportunities for sizeable federal aid under the Emergency School Assistance Act, district officials are able to identify significant educational program needs associated with desegregation. According to a recent proposal for federal desegregation assistance funds "desegregation efforts influence every educational decision." Desegregation had caused an exodus of affluent families, along with concomitant state aid. The exodus helped produce higher concentrations of poor families within the population served by the schools. Declining enrollment resulted in an older teaching staff; many of the older teachers were not equipped to deal with their new student clientele.

Students with different cultural backgrounds encountered difficulty in establising productive relationships. Teacher helplessness, disciplinary problems, confrontations, dropouts, truancies, absences, suspensions, mobility increases, and home-school communication patterns all were adversely affected by desegregation. Such problems, district officials claimed, could be alleviated with ESAA-funded programs.

Since the inception of court-ordered desegregation in Lakeview, the district annually has obtained ESAA grants ranging in size from $1 million to $2 million. Our inspection of ESAA documents in Washington and in Lakeview, coupled with our interviews with Lakeview school officials, provided some impressions of the district's federally-assisted educational program components as they pertained to desegregation. The existence of these components is both made possible by, and limited by, the availability of federal funds.

Magnet Schools: All-Day Kindergartens

Until 1979 Lakeview neither sought nor received funds under the magnet program provisions of ESAA. Desegregation in Lakeview was accomplished without magnet programs. Indeed, we were told, school officials resisted the idea of magnet schools, seeing them as inconsistent with their focus on uniformity as the key to a unitary system. Magnets created the possibility of a two-class system in which the magnet schools might serve as havens for the middle income families. Nonetheless it was clear that Congress was providing generous support for magnet schools, and that Lakeview was not benefiting from that support. In 1979 school officials developed a proposal for all-day kindergartens that might qualify for magnet school funds. There were to be four such kindergartens--one in each zone of the city. Each would be located in a high school, providing opportunities for training in child development. Admission to the kindergartens would be ethnically-balanced.

The rationale was complex. Much of it was strictly pedagogical. Research findings and the experience of other districts seemed to demonstrate the possibility of important educational benefits which would accrue to children. In addition, there were social benefits: all-day programs were important to families needing all-day accomodations for their children. But there also was a rationale related to desegregation. The elementary school pupil assignment system used in Lakeview applies only to grades 1-6. Kindergartners attend their neighborhood school. Because many neighborhoods in Lakeview are racially-isolated, many kindergartners also are racially isolated. Thus the creation of magnet-type citywide kindergartens would eliminate racial isolation for the participating students as well as obtain pedagogical and social benefits.

The school board greeted the proposal with considerable skepticism. Their questions, and staff members' answers, were essentially as follows: Would initiation of the program create a future budgetary obligation? ESAA funds had been requested for five years, and might not be available after that. Who would pay for transportation? ESAA would not. Costs to the district would be about $75,000 for transportation. Perhaps parents could pick up and drop off their children. (Later the district decided on the latter option.) Did not the program contribute to inequality of opportunity, inasmuch as some applicants might be denied access on the basis of race? And would not the participants in the program have an educational advantage over those denied admission? The program is only a pilot effort designed to provide experience for district personnel. And maybe it could become self-supporting through fees. Isn't this just another government take-over? True, a hazard. Why do we have to call it a "magnet" program? Because of government regulations. Isn't the price tag ($4,000 per child) pretty steep? Start-up costs are high. Haven't we had all-day kindergarten enterprises before? Not integrated ones, and not in high schools. Isn't this inconsistent with our prior position that kindergartners should attend their neighborhood school? There are educational benefits....(board meeting)

The board voted to approve the proposal, and it was submitted to Washington in December, permitting ample time to prepare for beginning the program in the fall. But there were delays in Washington. Despite a favorable review of the proposed program and budget, approval was not received until the summer--too late to begin the program in the fall. Thus, it became necessary to renegotiate the budget to reduce it to a half-year program. It then was scheduled to begin in January, 1981. We found no clearer example of a desegregation-related program whose existence was tied to the availability of funds.

Dropout Prevention Program

ESAA support for a dropout prevention program has been solicited and received ever since court-ordered desegregation began in Lakeview. The dropout problem is aggravated, district officials claim, by desegregation. The rate is alleged to have increased after desegregation began, evidently because of reduced neighborhood and peer pressure to stay in school, because heightened home-school distances provide increased opportunities for skipping, and because home-school communication is lessened. To combat these problems Lakeview officials have devised a program which identifies dropout-prone students and then provides these students with special services designed to encourage their continued school attendance.

For 1980-81 Lakeview sought funds to continue the program ($500,000) and to expand it to additional schools ($300,000). However, program officers in Washinton, doubting the efficacy of the program and worrying that it would isolate students, disapproved the entire program. Negotiations ensued, and agreement was reached on a modified and stripped-down program funded at approximately one-half as much as the initially-requested amount. According to the application submitted to Washington, Lakeview intended to use local funds to support portions of the program. We did not ascertain whether the federally-imposed cutback resulted in a similar cutback in the local commitment, whether the local commitment remained the same, or whether local funds were increased to replace those not granted by Washington.

Mastery Learning

According to Lakeview's ESAA proposal for a mastery learning project, desegregation placed new demands upon classroom teachers. The needs assessment portion of the proposal includes the following:

> Teaching techniques and materials that worked effectively with Lakeview's pre-court ordered population are often ineffective in meeting the needs of the present student population. Lakeview teachers were trained and experienced in working with predominantly white, middle or upper socio-economic level students. Since the desegregation plan took effect, the characteristics of the students enrolled have changed. Lakeview teachers now work with students from an increasingly wide variety of ethnic, cultural, linguistic, and proportionately lower socio-economic backgrounds. In each classroom students exhibit a wide distribution of abilities, academic preparation, motivational levels, readiness to learn, learning styles and home support.

Furthermore, desegregation was said to have increased student mobility rates:

> As a direct result of court-ordered desegregation, a large number of Lakeview students have been bused to eliminate racial isolation. With the recently authorized school closings, even more students have been reassigned. The mobility rate (how often students withdraw from one school and enter a new school) has also increased since the desegregation plan took effect as a result of boundary changes, adjunct attendance areas, and school pairings. A move to new housing a few blocks distant may result in a student transfer to another school when formerly such a move would not have had an effect on school attendance.

To deal with these desegregation-inspired problems, Lakeview officials had devised a master learning model which emphasized the identification of critical skill requirements and the selection and use of appropriate instructional strategies and materials. Initially developed under the auspices of ESEA Title IVC grants, the program later was supported with ESAA funds. For 1980-81 Lakeview sought ESAA funds amounting to $375,000. Project officers in Washington felt the request was too high, and cut the award to $200,000, specifically disapproving of two specialists who were to be employed, as well as certain clerical costs.

Follow-the-Child

Lakeview officials were able to identify 68 students in the school system who would have been eligible for ESEA I compensatory education programs had they not been transferred, under court-ordered desegregation to schools which did not offer such services. ESAA regulations permit the use of ESAA funds to provide comparable compensatory education programs for such students. Lakeview requested $100,000 under this authorization, proposing to use it to replicate the ESEA I services that were no longer available to certain students. Washington officials first rejected the request, saying that they had insufficient information to demonstrate eligibility for follow-the-child funds. Evidently the necessary information subsequently was provided, for an award was made at roughly 60% of the requested amount.

Additional Requests

Additional ESAA funds were sought for other small-scale educational programs and, as previously noted, for staff development activities. Overall the district sought $2.2 million in ESAA assistance for 1980-81. Funds approved amounted to $1.2 million.

V. CONCLUDING COMMENTS

Half-a-decade after it was mandated, desegregation remains an unassimilated feature of the Lakeview district, subject to occasional but futile rejection efforts, uncomfortable enough to divert attention from other problems, still capable of evoking painful memories, still requiring outside monitoring, and still earning transfusions of temporary federal assistance. That, at least, seems to be the view of the system's top policymakers; we did not ascertain the extent to which desegregation is "working" among the students who are supposed to be its principal beneficiaries.

During the period of our observations of Lakeview, major efforts were under way to alter the accomodation between the constitution-

ally-based imperatives of desegregation and the political and pedagogical imperatives of the established school system. On one hand, the court was inviting—or perhaps demanding—reconsideration and redesign of the desegregation remedy which the court earlier had ordered. On the other hand the district itself, largely resigned to the permanence of desegregation, was seeking ways to move to other agendas. Thus, the district and the court have become nominal partners in the current quest to find an improved mode of accomodation. That quest continues as these words are written.

The important thing, from the perspective of our initial research question, is that financial considerations have played virtually no role in the design and implementation of desegregation in Lakeview. The actual costs of desegregation are not calculated. No one seems to have attached cost figures to the affirmative action program, the staff development program, or the endless hours of administrative time devoted to desegregation-related matters. Cost-reduction initiatives associated with school closings and with alteration of student assignment patterns have been subordinated to considerations registered through political rather than budgetary processes. Issues are considered in terms of political, pedagogical, and organizational criteria; rarely do the criteria of cost or of revenue-availability have discernible consequences. The major exception concerns ESAA-funded programs whose presence and continuation is directly tied to the availability of federal dollars.

Yet, despite their outward absence, financial considerations are in the background. District leaders want a "healthy" school system, and the system, we further suspect, tends to be defined as one which remains middle-class in orientation. That is, Lakeview seeks to preserve what is left of its shrinking middle-class constituency and to offer educational programs which go far beyond the "basics" which in other cities remain a distant goal. To do all this, district officials believe they must comply with the law, avoid community uproar, be attentive to community input, and still sustain an image of efficiency, civility and professionalism. In a sense, these motives are rooted in economic considerations: individual career success for Lakeview's students is assumed to require a high level of investment in education, which in turn requires the support of taxpayers and civic elite. In this context then, it makes no sense to disaggregate expenditures for desegregation, for their separate display could generate conflict without generating commensurate benefits. Moreover, to the extent that issues can be avoided and a modicum of community support maintained, built-in financial inefficiencies of desegregation can be ignored, much as the system ignores its substantial overcapacity of classrooms and seats.

Lakeview officials view their schools as rather exceptional among contemporary American urban schools. We would not dispute that, at least to the extent that the statement refers to the absence of several financial crises. In that relatively benign financial

climate it is not too surprising that desegregation proceeds without reference to either its financial costs to the school system, or its financial benefits. Neither the costs nor the benefits are clearly discerned. In that respect at least, accommodation to the constitutional imperatives is unencumbered in Lakeview.

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IV. SUMMARY AND CONCLUSIONS

The purpose of this research was to investigate the manner in which the budgetary process affects the design and implementation of desegregation plans. Our working hypothesis was that there were a number of possible strategies for desegregating urban schools (Foster), and that the selection of particular strategies would be, at least in part, a function of desegregation planners' perceptions of costs and of revenue availability. That is, we expected that desegregation planning would reflect financial considerations.

Our assumption was inspired, in part, by the work of Dye (1966) and others who found that policy outcomes were much more strongly associated with economic variables than with political ones. We were aware that during desegregation litigation school districts frequently assert that desegregation is a terribly expensive proposition requiring outside financial assistance. The courts, responsive to such claims, sometimes order defendants to submit cost statements. In Milliken v. Bradley II the Supreme Court sustained a court order directing the state of Michigan to reimburse Detroit for some of its desegregation costs. (Midway through our research the board of education in our home city, St. Louis, told the U.S. District Court that a limited desegregation plan would cost $22 million; the court promptly ordered the state of Missouri to pay one-half of that amount.) A pilot investigation (Colton) had turned up examples of desegregation budgets purporting to show program components and costs. "Enlightened" policymaking at the state and federal levels seemed to be money-oriented; the Emergency School Assistance Act, Massachusetts' Racial Imbalance Act, and Wisconsin's Chapter 220 all appeared to offer effective financial inducements to desegregation. Undoubtedly we also were influenced by the familiar contention that urban education woes are partly attributable to lack of funding. To the extent that desegregation complicated these woes, it seemed reasonable to assume that financial constraints would be felt in desegregation planning.

However plausible our initial assumptions may have been, they received little support in our field studies. Except in the case of ESAA-funded components, desegregation plans appear to be little affected by considerations of cost and of revenue availability. Other determinants are far more potent, as shown in the preceding sections of this report, where we presented our findings, city by city.

In concluding this report we offer some preliminary summary observations. They are no more than that, i.e., preliminary. Additional work will be required in order to assure that the observations are adequately grounded in data and to develop further

precision and elegance. Our goal in these pages is to stimulate or provoke discussion, and we hereby invite readers to let us know whether they find our observations sensible or nonsensical, taking into account both our data and our readers' own experiences.

Section A below incorporates a series of unarticulated characterizations of what we take to be the most significant features of what we found. The statements are descriptive and analytical. They reflect "regularities" (Sarason). Section B strays further from the data, venturing into the "so what?" realm. We believe that our findings do have significance for policymakers and scholars, and Section B summarizes our present view of that significance.

Summary Observations

The following observations are offered in no particular order.

Desegregation as a Demand

Although the districts which we examined embarked upon modest desegregation programs prior to court-ordered desegregation, these programs were of limited scope and effectiveness and they did not protect the districts from subsequent liability findings of illegal discrimination. The liability findings resulted in court mandates to desegregate. Regular demand-processing techniques then were activated. In Riverton there was organizational resistance to the demand. In Thornton the strategy was not defiance; rather it was one of gradual and reluctant accommodation coupled with efforts to merge the demand with other agendas. In Willow Hills and Lakeview the strategy was to circumscribe the scope of the remedy and then to accommodate it swiftly so that other agendas could be tended.

Demand-processing strategies appear to be driven more by political and organizational imperatives than by financial ones. Financial arguments ("no money") may accompany demand-processing techniques, but they tend to be rationalizations for the techniques rather than determinants of them. (One source put the matter this way: the district can afford the things it wants to do, but it cannot afford the things that it does not want to do.) Demand-processing techniques—whether they be resistance or accommodation or merger with other demands—clearly have consequences for school district revenues and expenditures. But anticipation of these consequences does not appear to have much effect upon the selection of the techniques. Techniques are selected first; the financial consequences are treated as residual problems. For example the legal costs of efforts to resist or delay desegregation can be quite high, but anticipation of that fact does not seem to deter the strategy. Similarly the costs of magnet

schools are higher than normal, but that fact does not deter efforts to establish magnet schools.

We are not suggesting that the residual financial problems created by demand-processing techniques are unimportant. They impel resource mobilization efforts, shifts in resource allocations, and management techniques that would not otherwise occur. In homely terms, desegregation affects a school system's budget much as a new child affects a family budget: the financial ramifications of the addition probably have little to do with the decision to accept the addition, but that decision has major financial ramifications nonetheless. The ramifications are dealt with after the new addition arrives.

Varieties of Desegregation

Among the four cities we examined there was wide variation in the types of desegregation plans which were implemented. Lakeview's was simplest (at least until very recently): desegregation meant racial balance in the schools and at the staff level. Desegregation was oriented to those activities. Moreover, once the task was seen to be necessary, it was accomplished swiftly and on a system-wide basis. Desegregation, like bitter medicine, was to be swallowed and dispensed with as expeditiously as possible, without prolonging the agony. Willow Hills displayed a similar orientation, but it added pedagogical components which were more extensive than those in Lakeview. It also included a massive school closings component, thus resolving an excess capacity problem that might have been much more difficult to resolve under other circumstances.

Desegregation was far more complex in Riverton and Thornton. In both cities school improvement efforts--particularly the establishment of magnet schools--were deemed to be essential concomitants of desegregation. In both cities management reform--particularly in information gathering and processing capacities--accompanied desegregation. Both cities received large infusions of ESAA money. School facilities planning has become a central feature of the desegregation process, albeit belatedly in Riverton.

Desegregation, in short, was relatively simple in Willow Hills and Lakeview; in Riverton and Thornton it was relatively complex. Higher levels of complexity appear to be related to higher levels of cost. Magnet schools, with their lowered student-teacher ratios, their needs for specialized facilities, and their transportation demands, are far more costly than the simpler reassignment systems used in Lakeview and Willow Hills.

Because desegregation techniques vary so much from city to city, comparisons of "desegregation costs" among cities cannot be simply made. Desegregation means one thing in one city, some-

thing quite different in another. Even when desegregation programs are disaggregated into their constituent parts (e.g., transportation, staff development) comparisons may not be appropriate, for the character of the constituent parts is determined by the overall plan within the city.

The Evolutionary Character of Desegregation

Desegregation varies not only from place to place; it also changes over time within a particular place. Except in Willow Hills, where the desegregation process is so new that changes have not yet had an opportunity to occur, desegregation appears to be a series of successive approximations toward a moving target. Lakeview apparently thought it had desegregated when it achieved racial balance in its schools; recently however the court pronounced that more was required. Thornton knew that its Phase A plan was insufficient, but appears to have believed that Phase B would suffice. But those phases failed to meet the court's conception (which itself changed in view of evolving Supreme Court decisions), thus requiring Phase C and, still later, Phase D. Five years into the desegregation process, Riverton finds that its efforts to meet new conditions evoke new dimensions of expectations for a desegregation remedy.

The fact that desegregation occurs episodically, and the fact that criteria of "success" evolve over time, requires modification of our initial conceptualization of the "stages" of desegregation. At the outset of this investigation we visualized a process that progressed in linear fashion: pre-liability, design-of-remedy, initial implementation, and advanced implementation. What we found however, was that implementation of one aspect of desegregation could be concurrent with design-of-remedy actions pertaining to another aspect. For example in Lakeview the creation of early childhood programs was initiated long after racial balance had been largely achieved. In Riverton the school closing strategy, not included as part of the initial desegregation plan, developed in subsequent years as a major litigation problem.

All of this has meaning for financial matters. If desegregation means, in Wildavsky's terms, introduction of a "new base" in a school district's budget, it is apparent that the new base is built incrementally, and that its components change their character as well as their size. New contextual conditions such as declining enrollment or the introduction of new categorical aid legislation, may inspire substantial modifications of the initial desegregation plan, and these modifications in turn may affect both revenues and desegregation-related expenditures.

Short-Term and Long-Term Costs

In addition to changes in the conceptualization of desegregation within particular sites, changes occur in terms of the costs of particular components. In both Riverton and Lakeview, for example, there were substantial expenditures for security programs when school desegregation started. Later however, security programs were curtailed and expenditures were reduced. Institution of a major busing program also can produce cost surges: both Lakeview and Willow Hills elected to purchase large fleets of new buses, necessitating a substantial one-time capital expenditure. (Thornton and Riverton, until recently, avoided this by relying on private contractors for much of their busing.) Magnet schools also have high "up front" costs for renovation, supplies, and staff development; once the schools are operating the costs of sustaining them are somewhat lower. While some costs decrease, others may increase. In Thornton, for example, desegregation was sought in stages, each stage necessitating additional expenditures for new programs and additional transportation. At the time of our study, Lakeview appeared to be heading toward an expanded conception of desegregation which may have the effect of precipitating new desegregation-related costs.

Disjuncture Between Desegregation Planning and Budget Planning

Every district operates in terms of an established annual budget cycle. Several months before the beginning of each fiscal year budget requests are prepared at departmental or divisional levels. Then the requests are reviewed and consolidated by top level managers and the board of education. In some cases outside bodies also perform a review function. Whatever the variations in detail and sophistication, there is a fixed annual cycle.

However desegregation planning initially occurs without reference to that budget cycle. The planning schedule is driven by actions initiated by the defendants and/or the plaintiffs, and by the vagaries of court calendars at the district, appeals, and Supreme Court levels. Major initiatives or adjustments in the desegregation plan then, may occur at any time, and they may have budgetary consequences which require substantial and abrupt adjustments in budgets which already have been adopted. Sudden infusions of desegregation-related money (particularly grants from ESAA) may further alter a district's financial plan.

As desegregation becomes more institutionalized, the planning process comes to be more rational and financial considerations, especially in those districts that are facing fiscal problems, tend to play a larger role in the planning process. Budget people play a more central role in estimating the costs of various proposals and their impact on the district's long-term financial picture. However, the ability to maximize resources

remains constrained by the necessity to fulfill the court order and the components of the plans implemented in the past.

Lack of Sophistication in Cost Analysis

Sophisticated financial analysis is a rare commodity throughout the educational enterprise. Despite all of the attention in recent years to "program budgeting" and related phenomena, the actual costs of educational programs rarely are calculated (or, perhaps, calculable). Desegregation programs are no different. Elsewhere, we have noted that there is little incentive to calculate true costs. However there is an additional factor: desegregation programs rarely are designed by individuals who have financial analysis skills. In Riverton and Lakeview the plans were designed under court auspices, and the court's advisors were not financial experts. In Thornton the desegregation planning task force was directed by instructional personnel, not financial personnel. Only in Willow Hills were financial analysts involved in planning, and it probably is no accident that that district's understanding of the financial ramifications of desegregation exceeded any other district's. (Even here though, budget personnel were not contacted until after the main elements of the plan had been selected.) Elsewhere efforts to identify costs were sporadic, primitive, and of dubious utility for financial planning purposes.

The area of apparent exception was in the federal relations offices charged with the task of mobilizing federal assistance, including ESAA grants. These offices prepared elaborate budgets purportedly reflecting desegregation costs. However our review of these budgets suggests that they reflect a clearer understanding of federal regulations than of local desegregation costs. Put differently, the budgets were designed to generate funds rather than to reflect costs. Of course that phenomenon is not unique to desegregation.

Difficulties in Cost-Effectiveness Calculations

One of the common indicators of "rationality" in financial management is the application of cost-effectiveness analysis. Conceptually, the process is quite simple: goals are specified, and then alternative techniques for achieving the goals are compared in terms of their costs. But the crucial prerequisite is goal specification. In matters related to desegregation neither specification nor agreement may be possible. The problem is best illustrated in Thornton, where the plaintiffs and the defendants had radically different conceptions of the goal to be achieved. For the plaintiffs, the goal was racial balance in the schools. But for the defendants the goal of racial balance was inextricably linked to other goals: minimization of white

flight, maintenance of political support, and program improvement. Thus the Thornton plaintiffs contend that the defendants' busing program was inordinately expensive; racial balance could be achieved at much less cost through a simple pairing program. But the defendants argue that their busing program is cost-effective because it contributes to a multitude of goals. Moreover, the defendants contend, short-term racial balance is of little value unless the conditions causing racially-disproportionate enrollment declines can be redressed. There is, in short, fundamental disagreement over the nature of the standard against which cost-effectiveness judgments are applied. The result is disagreement over the effectiveness of resource allocation decisions.

A similar problem exists in Riverton, where the plaintiffs are attempting to define desegregation in terms of "educational equity." If they are successful, increased expenditures in the area of educational programming are likely to follow. Significantly the court has thus far been reluctant to admit the plaintiffs' concerns as part of the desegregation case, even though matters of educational quality are inextricably tied to Riverton's efforts to engage in facilities planning. In Lakeview, by way of contrast, the court itself recently has urged the district to broaden its conception of equity. As conceptions broaden, cost-effectiveness calculations will become increasingly complex and controversial.

Disconnected Budgeting

None of the sites we visited had budget systems that routinely provided records of desegregation costs and related revenue sources. In Thornton statements about desegregation costs were generated on an ad hoc basis, tailored to suit the occasion. Riverton was similar, although in that city the statements of purported costs were even more primitive than in Thornton. During the period of our observations in Lakeview there was no evidence of any calculations of overall desegregation finances.

Willow Hills came closest to being an exception. At the design-of-remedy and initial implementation stages relatively elaborate "desegregation budgets" were constructed, thanks in part to a court order requiring such a construction, and thanks also to the district's willingness to make a good faith effort at compliance with the order. However once the implementation phase was launched the motive for creating desegregation budgets disappeared, and Willow Hills officials told us that they did not intend to continue the practice. (Ongoing litigation concerning the state's responsibility for paying for desegregation costs may serve to renew interest in computing such costs, particularly if there is a court order directing state payment. Then, of course, it will be necessary for the district to compute the bill.

If the state subsequently challenges the bill, the ensuing hearings should provide an unusual opportunity to consider the true costs of desegregation.)

Failure to compute desegregation costs is not simply a matter of lack of interest. Institutionally desegregation is such a fragmented process that it may be a technical impossibility to come up with an accurate picture of costs. Funds come from federal, state, and local sources, and not all of them are labeled according to programmatic purpose. There are conceptual difficulties too. Over what period of time, for example, should the capital cost of a school bus be depreciated? If a school is closed as a concomitant to desegregation, how does one compute the savings in energy, maintenance, and staffing? If a magnet school is created, which of its costs are attributable to desegregation and which to improved educational opportunities? How does one calculate the time investments of school officials engaged in managing desegregation? If a bus carries some students who are reassigned for racial reasons, and others who are bused because the walking distance is hazardous or too far, how should the costs of that bus be allocated? And so on. Desegregation costs arise in many contexts, and often cannot readily be disaggregated. Desegregation-related revenues and cost reductions are similarly complex and elusive. Thus, in the end, desegregation budgets may not even be possible except when predicated upon a group of substantial and ultimately-arbitrary assumptions and definitions. But that is true of most other school-related programs too.

Uncalculated Costs

Officials in each city made a point of noting one substantial but uncalculated cost: the time which they themselves had to allocate to desegregation matters. There is no question but that these allocations are very substantial. The time devoted to planning, trouble-shooting, mobilization of community support, or litigation matters, must amount to hundreds upon hundreds of hours in every district. Some of this time undoubtedly comes out of the personal lives of administrators, (one reported working into the early morning hours, with family assistance, to meet some legal deadline). Much of it also comes from tasks left unattended. We have no way of ascertaining the worthwhileness of these tasks.

Desegregation and Program Development

Desegregation was used as a pretext for improving education or initiating new types of educational programs in all of the sites we visited. This is most evident in Thornton where the desegregation plan was built around new educational programs, particularly magnet schools. Currently Thornton school officials are attempting to develop early school centers. The creation of

magnet schools also was a central component of Riverton's desegregation plan. Such schools now educate roughly one-third of the students in the system. Educational programs continue to be an important component in Riverton's planning efforts. The long-term facilities plan includes components for mini-magnet programs in some of Riverton's schools to attract students back to the district. Willow Hills' initial desegregation proposal contained a number of alternative educational programs. They were proposed to fulfill the educational function of improving school programs and the political-legal function of delaying implementation of a desegregation plan. Although these alternative schools were not implemented, other educational programs, including a multi-million dollar reading program, were included in a plan ultimately approved by the court. However, the district was released from specific responsibilities in this regard when it showed that it could not afford all of the proposed programs. This is probably the clearest example we found of a substantial portion of a plan being driven by financial constraints. Lakeview, the first of our sites to desegregate, was the last to tie desegregation to program improvement; however with the initiation of its early childhood centers, Lakeview now has joined the other cities in connecting desegregation and program changes.

School Closings

Desegregation provided a context for closing schools in three of our four sites. In financially well-off Lakeview, there was no need to close schools despite the fact that there was a precipitous enrollment decline. In Willow Hills school closings were coordinated with desegregation. From the time a decision was made to comply with the court order, administrators juggled the three concerns of facilities planning, transportation and fulfillment of the court's order. A somewhat different pattern occurred in Riverton. There, school closings were included with the development of the system-wide plan. Good information was not readily available, however, and there was considerable confusion as to whether or not the designated schools were even the ones that were being closed. In contrast to Willow Hills, where facilities planning and desegregation occurred simultaneously as part of the initial planning process, in Riverton only school closings and desegregation took place as part of the initial planning process. Facilities planning did not emerge until the district was well into the desegregation process. As a result, Riverton officials are in the difficult position of attempting to juggle two planning systems. The court is suspicious of this to the extent that particular facilities plans appear to undermine components of the system-wide remedy plan.

The financial significance of school closings was widely recognized. Closings permitted cost reductions and improved effi-

ciency. But the task of assigning dollar values to those outcomes is an arbitrary one reflecting formulas and system-wide assumptions rather than the particular financial experience of a particular school building.

The Role of ESAA Funds

ESAA funds were sought in all four districts to support desegregation and related educational programs. However the districts varied in the extent to which their desegregation programs were designed with ESAA funding in mind. In Thornton the idea for the magnet school program developed independently of funding concerns, although it appears that the extensive development of the idea in Thornton was encouraged by generous ESAA awards. Lakeview's interest in obtaining ESAA funds appears to have directly inspired the decision to initiate magnet pre-school programs. ESAA also was of considerable importance in Willow Hills where, because of fiscal constraints, only a very small local commitment was provided for educational programs and support services. ESAA enabled the district to maintain staff that otherwise would have had to be released. However the retained staff members then had to be deployed in a manner dictated by ESAA regulations, rather than in the positions preferred by some Willow Hills officials.

State Aid Which Does Not Aid

State financial aid programs inhibited rational financial planning for desegregation. The principal component of state aid formulas is student enrollment rather than program costs. Thus when sudden new costs are incurred, as when a major busing system is introduced or when magnet schools are introduced, the whole financial burden falls upon local taxpayers—who are not likely to be enthusiastic about new spending which is based on court orders. In Thornton the local burden was made even worse by two additional state aid factors. First, transportation aid is provided on a reimbursement basis, i.e., a year after the expense is incurred. Thus in the first year of the Phase B plan, Thornton had to come up with the entire additional amount of transportation costs—a major factor in the deficit budget that year. (Another factor, of course, is that the transportation program designed by Thornton officials was a very expensive one.) Second, as a result of state efforts to control increases in public spending, there was a lid on the amount of increase in the state reimbursement which a district could claim; while the lid eventually was waived, there was a long period of uncertainty associated with the appeal. Similar difficulties were encountered in Willow Hills, where state officials resisted district efforts to secure special assistance in meeting increased transportation costs. In only one district—Riverton—was there state aid for meeting costs

associated with the educational components of desegregation plans. The state pays for educational components and reimburses a substantial portion of the district's transportation costs. However low legislative appropriations have reduced the state's share of these costs over time.

Cooling Out the Costs

Desegregation orders typically are greeted by emotional declarations that remedies are very expensive, or that the district's financial condition is so bad that outside help will be needed if there is to be an effective remedy. However once the necessity of desegregating has been accepted school officials move rather quickly toward de-emphasis of costs. In Lakeview and Thornton school officials, evidently sensing the divisiveness and non-productiveness of cost-based objections to desegregation, see no purpose in sustaining attention to costs. The courts, after all, have been quite clear on this: if there is not enough money to add the programs necessary to restore constitutional rights, programs shall be reconstituted so that the available resources are distributed equitably. More importantly, urban school districts are financially dependent on local taxpayers, either directly or through their elected representatives. Taxpayer support is deemed to be best solicited by concentrating on common goals, e.g., improved education, than upon controversial goals such as desegregation. Thus Lakeview officials displayed a real aversion to the prospect of rekindling old desegregation-related issues. Willow Hills officials were moving, in the second year of their desegregation program, toward terminating their efforts to identify desegregation costs. Thornton officials preferred to talk about the pedagogical and programmatic changes wrought by desegregation, rather than the costs of those changes.

We encountered two categories of exceptions to the general tendency to de-emphasize desegregation costs. First, resource mobilization efforts aimed at securing ESAA funds, (and, in one state, state categorical aid supporting desegregation) necessitated the isolation and identification of certain costs attributable to desegregation. Even there, however, local publicity efforts focused on the educational purposes of the grants rather than the constitutional mandate which precipitated them. Second, when (as in Thornton and Lakeview) new court orders appear, the old pattern of cost-based objections suddenly and temporarily recurred. Operationally then, attention to the costs of desegregation appears to be a function of (a) the nearness (in time) of a desegregation order, and (b) the availability of state or federal categorical aid. Where neither (a) nor (b) is a factor, attention to costs is minimal.

The Significance of the Political-Economic Milieu

To us it seems clear, as noted above, that desegregation planning and implementation are not heavily influenced by objective calculations of either the cost side or the revenue side of remedial plans. Nonetheless we repeatedly were struck by implicit but apparently potent effects which seemed to stem from the larger political and economic contexts in which our sites were embedded.

We noted, for example, major differences in desegregation strategies in our two fiscally-dependent sites (Riverton and Thornton) and our two fiscally-independent sites (Lakeview and Willow Hills). In the dependent sites desegregation plans were relatively complex, and resistance (after the liability finding) was more extensive than it was in Lakeview and Willow Hills. Both of the latter sites devised desegregation plans which concentrated primarily on achieving racial balance rather than the grander objectives seen elsewhere. We also noted that financial management techniques were more rationalized in Willow Hills and in Lakeview than in Thornton and Riverton. Possibly the differences are related to the financial independence of districts.

The advent of fiscal crises also seemed to have an effect on desegregation planning. Thus questions concerning facilities utilization--particularly school closings--were much less salient to desegregation in relatively affluent Lakeview than in the other cities. The early stages of desegregation were accompanied by teacher strikes in Riverton, Thornton, and a threatened strike in Willow Hills, but not in Lakeview. We do not know whether the conjunction of desegregation and teacher strikes in the three poorest cities, but not the wealthiest, was accidental or indicative of some form of economic influence. But the events did occur.

Opportunities for resource mobilization at the state level constitute another aspect of the political-economic milieu of desegregating cities. The availability of grants and reimbursement aids may stimulate local thinking about desegregation options. In Lakeview, where there was no possibility of state desegregation assistance, the desegregation plan was simplest. In Willow Hills and Thornton, where there were initial findings of state liability, desegregation plans were more complex. And the Riverton plan, probably the most complex of the four we studied, exists in a state which provides financial incentives for desegregation programs.

What we are suggesting, in short, is that a macro-analysis of the economics of urban school desegregation may reveal financial influences that we failed to observe--but did sense--in our micro-level analyses of individual cities.

The Significance of the Legal Milieu

The financial components of urban school desegregation are affected by relationships between the defendants and the court (including Masters and experts). The importance of these factors is made evident by contrasting Willow Hills and Riverton and Thornton. In Riverton the obstinance of the board led ultimately to court-appointed external bodies developing a desegregation plan. This had two effects: one, it removed the planning process from the formal budgetary process and two, it left the school administrators having to implement a plan not of their own making. Budgeting for someone else's plan is a more difficult task. In Willow Hills, on the other hand, all the plans were developed by local school officials.

Of critical importance in this political-legal milieu are the signs and signals given off by the various actors. The Riverton School Board's signal of non-compliance (i.e., their refusal to approve the system-wide desegregation plan) resulted in the court retaining outside experts. Willow Hills' Board's avowed position of compliance helped them retain control over the planning and hence, budgeting process. Similarly, Thornton's expressed intention to facilitate stable and system-wide desegregation has helped them implement their plans and proposals even though some of them appear to be constitutionally controversial and even though the plaintiffs have expressed considerable disatisfaction with what they consider to be the partial nature of the remedy plan.

The signals given by the court to the board and school bureaucracy also are important in both the design and budgeting of desegregation proposals. Again, Riverton, Willow Hills and Thornton provided an interesting contrast. In Willow Hills, the district court specified that desegregation meant that each school was to be $\pm$ 15% of the city-wide majority-minority ratio and that the completion of this task was a first order priority. The development of educational programs was of secondary importance. The judge in the Willow Hills case also specified that the costs of educational programs were not to be considered as desegregation costs. The court also required the submission of detailed cost information with each proposal. This, combined with the requirement that the plan be fiscally sound and the board's expressed willingness to obey the law, provided the context for the development of a simple and cost-efficient type of plan.

In Riverton, the court also required that the plan be system-wide. However, the judge issued guidelines which provided that any techniques could be used to achieve this (including educational programs) and did not establish financial constraints or require the submission of cost information. Partly because of this, Rivertonians were able to include a broader spectrum of activities under the rubric of desegregation-related costs. Most important

in this context were the costs of facility alterations and repairs to implement the magnet program and the administration of the institutional linkage program. Magnet schools also required a more complex busing system.

Thornton shares some similarities with Riverton in that the judge did not disqualify educational programs as legitimate desegregation costs. In fact, educational components became the central idea in Thornton's remedy plan. The Thornton case differs from Riverton in that the court did not require immediate and complete system-wide desegregation. This allowed school officials to continue to build upon their magnet school plan rather than implementing a student reassignment plan. This had a number of financial ramifications. First, it preserved the system's complex and costly transportation system. Secondly, it required the mobilization of local resources for these programs and effected a fundamental change in the relationship between the mayor and the school district.

Conclusions

If we think of urban school desegregation in terms of the imperatives of the U.S. Constitution, it perhaps is somewhat reassuring to know that remedial efforts are not much constrained by the cold calculations of financial analysts, accountants, and budgetmakers. As the courts repeatedly point out, the Constitution merely dictates that education be offered equitably, using available resources. If the resources are insufficient, the inadequacies must not fall disproportionately upon one racial group as compared to another.

However if we look beyond the level of budgetmaking, and consider instead the larger political-economic and political-legal milieus in which desegregation programs are designed and implemented, there is cause for concern. Key actors <u>are</u> influenced by broad financial considerations. The problem is that the influence is diffuse, often-unrecognized, and subject to emotionalism. But steps can be taken to improve the situation.

School Boards

School board actions have important effects upon the financial dimensions of urban school desegregation. Whether or not to comply with a desegregation order is a moral and legal issue that boards must decide for themselves. The decision has financial consequences. A decision to exhaust every available avenue of legal resistance does more than entail substantial legal fees; it also may delay the remedial process. In Willow Hills a fleet of new buses sat unused for a year when the board obtained a last-minute stay. If a board's actions legitimize protest and resistance,

community violence can be fostered, necessitating substantial expenditures for safety and security measures (see Ross and Berg, in press). Board resistance also can result in a plan being developed by outside "experts," as in Riverton and Lakeview. Those actors almost inevitably lack the knowledge-base for developing the most cost-effective plan, or even for considering costs at all. Later efforts to ameliorate built-in cost inefficiencies may, as in Lakeview, be difficult to correct in view of community opposition to further disruption. Board resistance also can create credibility problems later, with plaintiffs and even the court doubting the sincerity or motives of even well-intentioned board proposals. In Riverton the resistance to the board resulted in the implementation of a plan which school officials now feel constrains their attempts to secure stable desegregation and maintain cost-efficiency. The court, on the other hand, is suspicious of any proposals that affect the basic design of the system-wide remedy.

Beyond all this, there is the matter of the board's directives to its own staff. Legal strategists at the board level seem to operate in near-complete disregard of the demands of responsible financial management. The litigation process is severed from the regular financial planning process. Cost figures are used as legal weapons--to delay, to extract funds from outside agencies, to justify actions only distantly related to remedial plans. In that milieu staff members who may be responsible for financial management are repeatedly thwarted. But those staff members are in no position to resist the will of the board.

We are not unaware of the fact that school boards, like the constituencies they represent, are deeply divided on matters pertaining to desegregation. There is no clear or easy solution. However we suggest that in their considerations of strategic options, boards might profit from attention to the financial ramifications of those options. Clearly it costs money to proceed with desegregation. But the decision not to proceed costs money--in legal fees, lost opportunities for money-saving strategies such as school closings, and lost opportunities for mobilizing categorical support for desegregation programs. The amounts probably are not calculable, given present financial technologies. But they at least can be contemplated.

Courts and Legislatures

School boards do not operate in a policy vacuum. Indeed they are constrained on all sides by directives emanating from the courts and from federal and state legislatures and executive agencies. Those directives too often provide ambiguous, unstable, and even contradictory guides to action. For better or for worse, the courts have not established precise definitions for guiding remedial planning. "System-wide remedies" can be limited

by "practicalities." There is no widely-accepted definition of a "unitary" school system. Where school boards or their attorneys seek (or feel impelled by their constituencies to seek) opportunities for delay and evasion, the gaps in legal doctrine practically invite continued litigation. Legislative bodies also provide uncertain guidance. Congressional opposition to "forced busing," coupled with Congressional support through the Emergency School Assistance Act, has produced federal regulations which seriously distort effective resource management techniques at the local level. Moreover, uncertainties and fluctuations in the appropriations process make long-range financial planning for desegregation a near impossibility, particularly where local desegregation plans are contingent upon ESAA funds. (Recent efforts to permit long-range multi-year program approvals may partially alleviate this problem.) As for state legislatures, there is not much that we can say in their behalf. In only one of our sites were state funds provided for desegregation. Elsewhere the state governments seemed to pretend that education was not their responsibility and that state funds for meeting constitutional obligations were not available. States and urban school systems, nominal partners in the business of providing educational opportunities, seemed thrust into adversarial roles in the context of desegregation finance. Perhaps it is time to address the issues more collaboratively.

It seems to us that district court judges have the clearest opportunity and greatest need to help ensure clarity with respect to the costs of desegregation remedies. There are no formulas available. Costs will vary from site to site and from case to case. However, once a remedy has been proposed, the courts can require local school officials to define and justify costs. In the Willow Hills case, the court's actions forced school officials to try to identify costs and to separate those crucial to a remedy from those less crucial. The courts can request cost estimates which are reasonably comprehensive, including not merely expenditure projections, but also revenue projections and savings associated with the introduction of desegregation. But the courts also need to inform themselves about the constraints under which school officials operate. Without that understanding, unworkable orders and counterproductive delays may ensue.

School Officials

If the courts are to be informed about desegregation finances, their primary source of information will have to be the school officials who have the information, or are in a position to prepare it. In the cities we studied there was great variation in capacity to provide comprehensible financial data. Some desegregation planners simply did not know much about finance, and did not have financial experts on their planning teams. In addition most systems lacked the basic conceptual and technical tools needed

to project desegregation costs and revenues. The conceptual problems are particularly acute. Were Riverton's security costs attributable to desegregation or were they, as one official put it, attributable to community racism? Are the expenses of Thornton's magnet schools attributable to desegregation or are they costs required to provide a decent education to urban children? Given these and other ambiguities, the definition of desegregation costs will always be somewhat arbitrary. But the arbitrariness can be put out into the open and not used as an excuse for preserving ambiguity or ignorance. Policy analysts concerned with desegregation can help here. As one new program after another has been introduced into the schools over the years, techniques for labeling and identifying costs have been gradually developed and installed. The same can be done for desegregation.

The Polity

Perhaps, twenty-five years after Brown, it is time to have a grand nation-wide settlement conference. A few cities have settled their cases; possibly their experience could provide the basis for other settlements. Absent such an event, or some other device for achieving similar results, the cities we studied seem doomed to engaging in protracted and expensive disputes which use up energies and resources which might better be invested in other compelling problems.

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